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## **East Asia**

***Southeast Asia***

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# East Asia Southeast Asia

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## CONTENTS

9 DECEMBER 1988

### CAMBODIA

#### PEOPLE'S REPUBLIC OF KAMPUCHEA

Khmer Rouge 13th Division Deputy Commander Killed .....	1
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### INDONESIA

Canadian Aid for Irrigation Projects [ANTARA NEWS BULLETIN 14 Oct] .....	2
PRC Delegation Visits South Sumatra [ANTARA NEWS BULLETIN 29 Sep] .....	2
Taiwan Official on Increasing Trade, Investment [SUARA PEMBARUAN 10 Oct] .....	2
Moerdani Discusses Defense Cooperation With Malaysia [ANTARA NEWS BULLETIN 1 Nov] .....	2
Navy Receives New Warships [ANTARA NEWS BULLETIN 26 Oct] .....	3
State Company Issues Bonds Worth 25 Billion Rupiah [ANTARA NEWS BULLETIN 22 Oct] .....	3
LNG Exports Go Up [ANTARA NEWS BULLETIN 18 Oct] .....	3
Paddy Floor Price Raised, Fertilizer Subsidies Cut [MERDEKA 7 Oct] .....	4
Christian Students Call for Freedom of Assembly [SUARA PEMBARUAN 10 Oct] .....	4
Researcher Cites Difficulty in Raising Rice Output [KOMPAS 10 Oct] .....	4
Brig. Gen. Ibrahim Saleh Relieved as MP [SUARA KARYA 23 Sep] .....	5
Slow 'Legalization' of Indonesian Workers in Sabah Reported [SUARA PEMBARUAN 12 Oct] .....	5
Governor on Security Situation in East Timor [KOMPAS 21 Oct] .....	5
GOLKAR Chairman Wahono Profiled [KOMPAS 27 Oct] .....	6
Muslim Party Prepares for Next Congress [KOMPAS 2 Nov] .....	7
Rector Clarifies Gajah Mada Student Demonstration [KOMPAS 2 Nov] .....	8
East Java's Postharvest Rice Losses [SUARA PEMBARUAN 1 Nov] .....	8

### LAOS

Border Trade With Nakhon Phanom, Taxes, Living Standards [Bangkok DAILY NEWS 3 Oct] .....	10
Transportation Cooperation Accord Signed With SRV .....	10

### MALAYSIA

Joint Venture With Soviets Announced .....	11
Islamic Bank To Finance Palm Oil Purchases [UTUSAN MALAYSIA 12 Oct] .....	11
Developments Surrounding Shahrir's Refusal To Take Oath [UTUSAN MALAYSIA 11 Oct] .....	11
Commentary on MCA-Gerakan Friction [UTUSAN MALAYSIA 9 Oct] .....	13

### PHILIPPINES

Intelligence Network for 'Hindering Trade' [BUSINESS WORLD 1 Nov] .....	15
Saudi Arabia To Attend RP Meet [PHILIPPINE DAILY INQUIRER 1 Nov] .....	15
Foreign Investors Allowed 100 Percent Equity in Mining [BUSINESS WORLD 1 Nov] .....	16
New Collaborators To Gain From Pact [THE MANILA TIMES 2 Nov] .....	17
Analysis Concludes Opposition Lacks Credibility [THE MANILA CHRONICLE 3 Nov] .....	17
Endorsements for Ople to ILO Post Reported [THE MANILA CHRONICLE 3 Nov] .....	19
Chamber of Commerce Reports Coming 'Boom' in Cebu [PHILIPPINE DAILY INQUIRER 3 Nov] .....	19
Columnist on Need for Government To Push Rebel Return Programs [PHILIPPINE DAILY INQUIRER 3 Nov] .....	20
Columnist On 'Unimpressive Results' of Aquino's 1000 Days [PHILIPPINE DAILY INQUIRER 3 Nov] .....	21
Columnist Hits Graft Between Mitra Press [BUSINESS WORLD 2 Nov] .....	21
Insurgency To Be Wiped Out in Ilocos Next Year [THE MANILA TIMES 1 Nov] .....	22
Ilocos Farmers Back CARP [MANILA BULLETIN 1 Nov] .....	23

## THAILAND

Opposition Leader Comments on U.S. Trade, Indochina	[KHAO PHISET 24 Sep-4 Oct]	24
Columnist Sees Basis for U.S. Out of Philippines, Less Tension	[SU ANAKHOT 28 Sep-4 Oct]	24
Writer Comments on Cam Ranh, Philippine Base Trade-Offs		
	[SIAM RAT SAPDA WICHAN 25 Sep-1 Oct]	25
Provincial Trade Pact Encourages Economic Cooperation With Laos	[THE NATION 30 Nov]	26
Auditors Detail State Firms' Profitability	[DAILY NEWS 30 Sep]	26
Air Force Chief of Staff Profiled	[DAILY NEWS 3 Oct]	27
Policy Debates on Trade Issues Continue		27
Trade Representative Idea	[MATICHON 11 Oct]	27
Phong on Property Rights	[MATICHON 12 Oct]	28
FM on Policy Monopoly	[MATICHON 6 Oct]	28
Sitthi, Phong in Dispute	[MATICHON 7 Oct]	29
Government, Academic Opinion Leaders Comment on Copyright	[LAK THAI 6 Oct]	30

## VIETNAM

### POLITICAL

Urgent Popular Demand for Democracy Noted	[SAIGON GIAI PHONG 8 Oct]	32
HCM City Fatherland Front Committee Plans Last-Quarter Work		
	[SAIGON GIAI PHONG 23 Oct]	33
Trade Union Congress Reflects Renovation and Democracy	[SAIGON GIAI PHONG 23 Oct]	33
Do Muoi Addresses Teachers Meeting		35
Text of Government Labor Duty Regulations		36
NHAN DAN Views Organization of Local Party Congresses	[NHAN DAN 27 Nov]	38
Hanoi Meeting Affirms Solidarity With Palestinian People		39
Gia Luong District Party Organization Holds Congress		39

### ECONOMIC

Blood-Pressure Gauges Exported to USSR		39
French Oil Company Official Discusses Exploration Program		39
Indonesian Company Sets Up Joint Venture in South		40
Nghia Binh, Estonia Sign Cooperation Protocol		40
New Private Corporation Provides Technical Services	[SAIGON GIAI PHONG 19 Oct]	40
Non-State Sector Units Borrow More Capital From Bank	[SAIGON GIAI PHONG 19 Oct]	41
HCM City, Australian Corporation Officials Meet		
	[Ho Chi Minh City SAIGON GIAI PHONG 19 Oct]	41
Council of Ministers Issues Directive on Water Conservancy		41
Increased Gold Imports in Ho Chi Minh City, Southern Provinces		
	[SAIGON GIAI PHONG 11 Sep]	42
Management Mechanism for Production Units Issued		42
Haiphong, UNDP Hold Private Economy Seminar		42
First Insulating Polyurethane Panel Enterprise Opens		42
Winter-Spring Rice Crop Faces Water Shortage		42

**PEOPLE'S REPUBLIC OF KAMPUCHEA**

**Khmer Rouge 13th Division Deputy Commander  
Killed**

*BK2111061088 Phnom Penh Domestic Service in  
Cambodian 0430 GMT 21 Nov 88*

[Text] The militiamen of Sankor commune, Kompong Svay district, Kompong Thom province recently, in a

mopping-up operation jointly mounted with the district armed unit, caused Polpotist bandits hiding at Bangkoul Kei Lake to suffer a great defeat. Our Armed Forces completely destroyed their hideouts and killed 11 soldiers, including a deputy commander of the 13th division. We seized 11 assorted firearms, 1 field radio, and a quantity of ammunition.

### Canadian Aid for Irrigation Projects

42000029b Jakarta ANTARA NEWS BULLETIN  
14 Oct 88 p A2

[Text] Jakarta, 14 October, (ANTARA)—The Canadian government has agreed to provide Indonesia with technical assistance worth Can\$14.9 million to finance its irrigation projects for five years beginning in the 1989/1990 fiscal year.

Canadian Ambassador to Indonesia Jack A. Whittleton and Minister of Public Works Radinal Moochtar signed a memorandum of understanding (MOU) on the assistance here on Friday.

The assistance includes supplies of experts, funds to support the implementation of programs, preparations for projects, researches on the environmental impacts and transfer of technology.

### PRC Delegation Visits South Sumatra

42000029 Jakarta ANTARA NEWS BULLETIN  
29 Sep 88 p A6

[Text] Bandar Lampung, 29 September (ANTARA)—A trade delegation from People's China arrived here on Tuesday in the framework of its visit to several provinces in Southern Sumatra.

The four-member delegation, led by CNNP general manager Mu You Wei, which in Lampung is guest of the Lampung chapters of Kadin Indonesia and AEKI (Indonesian coffee exporters association), is visiting Southern Sumatra to explore possibilities of extending trade contacts, particularly on coffee, cocoa and tea.

Besides Lampung, the delegation will also visit South Sumatra and Bengkulu to see from close quarters the processing development of those commodities.

Mu You Wei admitted that the Chinese habit of drinking tea for the moment cannot be changed into drinking coffee. The consumption of coffee in China with its almost one billion people reaches only 14,000 tons per year.

To enhance the marketing of coffee in China, the CNNP general manager asked Kadin and AEKI to play a bigger role in promoting that commodity in his country.

The chairman of the Lampung chapter of Kadin Indonesia, H. Musholi Rais, welcomed the Chinese proposal, because besides coffee, Lampung can probably also extend the marketing of other commodities, including plywood.

During its stay in Lampung the Chinese delegation made observation tours of various coffee processing plants in Telukbetung.

The delegation proceeded to South Sumatra on Wednesday.

### Taiwan Official on Increasing Trade, Investment

42130016d Jakarta SUARA PEMBARUAN in  
Indonesian 10 Oct 88 p 5

[Excerpt] Because of the increased amount of funds available in the country, the Taiwan Government has proposed that its residents travel abroad. This actually could be advantageous for Indonesia as one of the tourist areas sought by Taiwanese. Nevertheless, whether this big opportunity is beneficial to the Indonesian Government or not, very much depends on the funds available and the promotion that is done. This was pointed out by Calvin Chen, spokesman for the Taiwan KADIN [Chamber of Commerce and Industry] for Indonesia to PEMBARUAN not long ago.

Seen from the aspect of the trade balance, in 1986 the value of Indonesian exports to that island nation totaled \$357,291,600 and increased to \$563,224,200 in 1987. In 1988, it is estimated that the total will be even greater because \$284.25 million worth of trade has been achieved.

Meanwhile, the value of Indonesian imports from that country in 1986 totaled \$394,124,400, rising to \$441,225,900 in 1987. For 1988 through June, it reached \$249,666,500.

Primary commodities exported by Indonesia to Taiwan were *energy materials*, petroleum, pulp, paper, and chemical, agricultural, forestry and other products. Meanwhile, Indonesia imported from Taiwan, among other things, prepared foods, textiles, chemical goods, machinery, etc.

It is encouraging that after the American Government announced it would withdraw GSP [general schedule of preferences] facilities from Taiwan early in 1989, the investment of that country in Indonesia rose, and in 1988 it rose above that in South Korea. It is expected that the ban on Indonesian semi-manufactured rattan exports in mid-1988 will stimulate the rattan manufacturing industry of Taiwan to invest capital in Indonesia. Whether it will be true investment such as foreign capital investment (PMA) in Indonesia or *joint venture* capital investment depends greatly on the approach of Indonesian entrepreneurs.

However, in this investment, especially in the rattan industry, cooperation will favor the Indonesian side because Taiwan has the markets and the technology while Indonesia has the raw materials. Whether Indonesia will profit from this opportunity or not depends greatly on Indonesian entrepreneurs.

### Moerdani Discusses Defense Cooperation With Malaysia

42000029f Jakarta ANTARA NEWS BULLETIN  
1 Nov 88 pp A12, A13

[Text] Kuala Lumpur, 1 November (ANTARA)—Defense Minister L.B. Moerdani has said that cooperation in the

fields of defence and military between Indonesia and Malaysia is very sound and close. "It's so close that if we have a problem, we just talk about it on the phone. There's no need to send letters through the head of representatives of each other. I like this system very much," he told the press at the defence ministry here Tuesday after meeting with the Malaysian Defence Minister.

L.B. Moerdani explained that the meeting with his Malaysian counterpart, Tengku Ahmad Rithauddeen, is a routine one. They meet every year.

No particular topic was discussed in the talks, according to Moerdani, adding that they just exchanged views and latest information on the defence sector.

Minister Rithauddeen among other things told his counterpart that Malaysia is going to buy a new fighter, Turnado.

Touching on a plan to establish a joint venture manufacturing military equipment components, the Indonesian minister said that the project will go on and its implementation will take time.

Besides the Defence Ministry, the project will also involve the Indonesian Agency for Assessment and Application of Technology under the chairmanship of Minister B.J. Habibie.

Speaking on joint military exercise between both countries' armed forces, Minister Moerdani stated that the activity will be intensified from once in a year in 1988 to twice in a year next year.

The military personnel training will also be encouraged, he continued. This year, two Malaysian officers are attending training in Indonesia, and the number will be increased into four persons next year, according to Moerdani.

The most important thing is the quality of the training and the joint exercise will also be improved, he stated.

L.B. Moerdani arrived here Monday for a two-day visit.

Besides meeting with his counterpart, he also paid a courtesy call on Prime Minister Mahathir Mohamad.

He left for Jakarta on Tuesday afternoon.

**Navy Receives New Warships**  
42000029e Jakarta ANTARA NEWS BULLETIN  
26 Oct 88 pp A4, A5

[Text] Jakarta, 26 October (ANTARA)—The Armada Commander for the Western Region of Indonesia Rear Admiral Wagiman received two new naval mine hunters, via, KRI Pulau Rengat and KRI Pulau Rupa, in a ceremony at a Tanjung Priok quay here Tuesday.

**State Company Issues Bonds Worth 25 Billion Rupiah**

42000029d Jakarta ANTARA NEWS BULLETIN  
22 Oct 88 p A2

[Text] Jakarta, 22 October, (ANTARA)—The state owned housing finance company PT Papan Sejahtera will offer bonds worth Rp 25 billion through the Jakarta stock exchange.

The issuance of the bonds was approved by the Capital Market Executive Board (BAPEPAM) on behalf of the Ministry of Finance here on Friday.

The bonds, which carry annual interest of 18 percent, will mature in five years.

The Rp 25 billion bonds are the fourth of its kind after the company issued its first bonds of Rp 6 billion in 1983, second bonds worth Rp 30 billion in 1985 and third bonds worth Rp 31 billion last year.

About 70 percent of PT Papan Sejahtera's shares are owned by the national shareholders (most of which are owned by Bank Indonesia, the Indonesian central bank).

The issuance of these bonds is intended to meet the need for housing ownership credit for the people of the middle class.

**LNG Exports Go Up**  
42000029c Jakarta ANTARA NEWS BULLETIN  
18 Oct 88 pp A12, A13

[Text] Jakarta, 18 October (ANTARA)—Indonesia's export of liquefied natural gas (LNG) rose by some 26.8 percent in the first seven months of 1988 against the corresponding period of 1987, data at Bank Indonesia showed Tuesday.

The value of the LNG export in the first seven months of 1988 stood at \$1,866 million, up by \$394 million from \$1,472 in the corresponding period of 1987.

The seven-month export in 1988 was shared by two oil fields, Badak and Arun accounting for \$820 and \$1,046 respectively.

Most of Indonesian LNG goes to Japan and South Korea, and later on, in a few years the export market will be expanded to Taiwan.

Meanwhile Indonesia's export of crude oil in the first seven months of 1988 reached \$3,264 million, down by 8 percent or \$297 million from \$3,561 million in the corresponding period of 1987.

The crude oil export was shared by the state owned oil company Pertamina with the value of \$1,619 million and the rest by foreign oil companies.

Indonesia's crude oil is largely sent to the United States, Japan, Singapore and South Korea.

**Paddy Floor Price Raised, Fertilizer Subsidies Cut**  
*42130016a Jakarta MERDEKA in Indonesian*  
*7 Oct 88 p 1*

[Text] Jakarta, Thursday [6 Oct]—At the EKUIN [economics, financial and industrial] Sector Limited Cabinet Session held in the Bina Graha [President's Office] today, chaired by President Soeharto, the government decided to raise the floor price for unhulled paddy and those for several secondary crops, effective 1 January 1989. In addition, it decided to reduce the subsidy for pesticides and two types of fertilizers—urea and TSP [triple superphosphate]—effective 6 October 1988.

After participating in the EKUIN Sector Limited Cabinet session, which was also attended by Vice President Sudharmono, Information Minister Harmoko told reporters that the paddy floor price, which in fiscal 1989 was set at 210 rupiahs per kg of milled dry paddy (GKG), is to be raised in fiscal 1990 to 250 rupiahs per kg of GKG.

While the floor price for corn, which in the 1988-89 planting season was set at 125 rupiahs per kg, is to be raised to 140 rupiahs per kg in the 1989-90 planting season. Soy beans, the floor price for which now is 325 rupiahs per kg, is to be raised to 370 rupiahs per kg in the 1989-90 planting season. For small dry peas, whose floor price now is set at 350 rupiahs per kg, the price is to be raised to 400 rupiahs per kg.

According to MENPEN Harmoko, the raising of the floor prices for rice and several secondary crops is tied to the reduction in subsidies for pesticides and the two fertilizers. Thus, the prices for the pesticides and the fertilizers will be raised.

When the decision becomes effective, pesticides, whose subsidy formerly amounted to 55 percent, will be reduced to 40 percent [of the cost of the pesticides]. Meanwhile, the urea fertilizer price, which formerly was 135 rupiahs per kg, is to be raised to 165 rupiahs per kg, and the TSP fertilizer price, which formerly was 135 rupiahs per kg, is to be raised to 170 rupiahs per kg.

Minister Harmoko said the adjustment in the unhulled paddy price and the reduction in the subsidies for pesticides and fertilizers is aimed at raising the income and the output of the farmers as well as stabilizing food self-sufficiency.

MENPEN Harmoko said with the adjustment in the floor price for several food commodities tied to the reduction in the subsidies for pesticides and fertilizers, the farmers output will continue to be positive.

On that occasion, the president asked farmers to use pesticides as well as fertilizers as economically as possible and to pay attention to the environment when using them.

**Christian Students Call for Freedom of Assembly**  
*42130016b Jakarta SUARA PEMBARUAN in Indonesian*  
*10 Oct 88 p 1*

[Excerpt] Bandung, 10 Oct—The Indonesian Christian Students Movement (GMKI), which is holding its congress now in Bandung, hopes very much that freedom of assembly for students on campus will be guaranteed in the UUPN (National Education Law) now being debated in the DPR [Parliament]. Creative, constructive, and responsible freedom of assembly must be developed intensively not only by all docents and researchers, as is regulated in the UUPN bill, but also by students who are competent to do this.

"This means that the product of a university education is highly qualified not only from the standpoint of knowledge but also from the standpoint of ethical-religious qualities and social commitment, which means having a strong spirit of nationalism as well as a heightened feeling of social solidarity.

"This is what the future demands wherein life is given meaning through what we do," commented Engineer F. Robert Oloan Sitorus, general chairman of the GMKI Central Board in a ceremony opening the 21st GMKI Congress in the auditorium of the Dago Lyceum in Bandung on Monday night (10 October).

**Researcher Cites Difficulty in Raising Rice Output**  
*42130016c Jakarta KOMPAS in Indonesian*  
*10 Oct 88 p 1*

[Excerpt] Jakarta, KOMPAS—Rice no longer can be relied upon as a source of economic growth because paddy production in the last 3 years has grown at the rate of only less than 1 percent. Dr Faisal Kasryno of the Agricultural Economics Research Center, Agriculture LITBANG [research and development] Agency, made this comment at the IPB [Bogor Agriculture Institute] some time ago.

According to Kasryno, it is becoming more difficult to increase paddy productivity, and efforts to maintain rice self-sufficiency in the short term will depend more on the expansion of harvest areas. New sources of growth must be found in the agricultural sector.

To date, the increase in farmers income from paddy has only been made possible by raising the real price of rice, which was controlled and which was accompanied by the efficient use of production factors to lower production costs. In addition, diversification of sources of income outside the agricultural sector was needed.

From 1968 to the present time, changes have occurred in the structure of agriculture, which have contributed to a great extent to this problem in Indonesia. Rice has played a very much smaller role, about 7 percent of the GDP (gross domestic product), while in 1968 it amounted to 18.8 percent of the GDP. Meanwhile, the role of agricultural sectors other than rice has become greater.

**Brig. Gen. Ibrahim Saleh Relieved as MP**  
*42130013b Jakarta SUARA KARYA in Indonesian*  
*23 Sep 88 pp 1, 9*

[Excerpts] Jakarta (Suara Karya)—Brigadier General Ibrahim Saleh, a member of the DPR and MPR from the ABRI Faction will be officially relieved and replaced next 28 September 1988. He will be replaced by Infantry Colonel H. Azhir Zalif, who will be sworn in on that day. [passage omitted]

Brigadier General Ibrahim Saleh was installed as a member of the MPR and DPR in October 1987. During the session of 1982-1987, at which time he held the rank of Colonel, he had also been a member of the MPR and DPR, but in 1984 he was relieved to serve as a Political and Social Affairs Assistant Officer Paben.

In a meeting with the press, Ibrahim Saleh requested that there should be some explanation concerning his removal from membership.

When he was asked if there might be a connection with his interruption of the last General Assembly of the MPR, Ibrahim Saleh said that there was certainly some relation, though it was very small.

**Slow 'Legalization' of Indonesian Workers in Sabah Reported**  
*42130016e Jakarta SUARA PEMBARUAN in Indonesian*  
*12 Oct 88 pp 1, 12*

[Text] Tawau, 12 Oct—It is predicted that the legalization program or efforts to provide illegal TKI (Indonesian Workers) who work in Sabah, East Malaysia, with documents will not end in January of next year. This program has been conducted since August, but as of Monday (10 October), only 9,256 illegal TKI obtained the appropriate documents.

According to initial calculations, 40,000 illegal TKI at various estates in Sabah must obtain documents such as passports and work permits, but this number apparently will escalate. Also, many other illegal TKI's who work as domestics and in beauty salons and restaurants, must provide themselves with documents.

The Malaysian Government offered a 6-month (August 1988 through January 1989) amnesty to the illegal TKI who are to obtain documents. If this cannot be accomplished within this time frame, the majority of them will be returned to Indonesia (will be deported).

According to a PEMBARUAN survey in Tawau, Sabah, East Malaysia, the legalization program will not move along smoothly because at this time there are only three PPTKI (TKI recruiting companies) in operation to handle this matter. In addition, the capabilities of the officials in the Indonesian Consular Liaison Office and in the MMFB (Malaysian Migrant Fund Board, an agency under the Malaysian Labor Ministry in Tawau), are very limited.

The immigration officials in the Nunukan region of the Republic of Indonesia specially employed to process the legalization documents must be augmented if this program is to move according to the established schedule. At this time, the officials in Tawau as well as those in Nunukan, on a daily average, are only able to furnish documents to 130 TKI. In order to serve 40,000 people by January, they must be able to handle an average of 300 per day.

If the capability of the officials and the PPTKI personnel to service this program remains as it is at present, by the end of January they will be able to provide documents at most to only 25,000 illegal TKI. If this happens, the illegal TKI will lose their jobs, but entrepreneurs in Sabah will also lose because of the loss of manpower.

All of the TKI legalization agents (PPTKI recruiting companies) in Sabah who met with PEMBARUAN on Tuesday [11 October] confirmed that they will find it difficult to meet the established schedule.

**Governor on Security Situation in East Timor**  
*42130016f Jakarta KOMPAS in Indonesian*  
*21 Oct 88 p 8*

[Text] Jakarta, KOMPAS—Only a few "stubborn" persons remain in East Timor, only some 200 to 300. They live in the jungle and do not bother the residents of the villages.

Engineer Mario Viegas Carrascalao, governor of East Timor, made this statement in reply to a question from the press after being received by President Suharto at the Bina Graha [President's Office] on Wednesday [19 October].

According to Carrascalao, very little disturbance was caused by the "stubborn" ones, moreover, it could be said to be nonexistent. They, of course, do not want to come out of the jungle and reside in the villages. One of the reasons for not coming out is that they have become accustomed to living in the jungle and sleeping under the trees. "Not even one hamlet is controlled by them. The situation is secure," he said.

Asked how much of an influence they had on the young people of East Timor, Gov Carrascalao explained that they had no influence. The educated persons in East Timor already understand the situation. They realize



what is happening so that there is no problem whatsoever. "At most, only those who feel disgruntled are influenced," he remarked when explaining that very few East Timor residents were influenced by them.

Concerning persons who were disgruntled, the governor explained that the East Timor Regional Government did not just sit on its hands. Attempts have been made already to make them aware of the situation, including offering them economic aid in the form of capital so that they can establish sidewalk kiosks.

Concerning outside observers who come to East Timor, the governor looked at their visits positively. In general, the observers admitted that extraordinary progress had been made in various development sectors in East Timor, for example, in the education, health and transportation facilities sectors. Moreover, more than one observer, such as Bill Morrison, the Australian ambassador, who has been to East Timor, acknowledged that East Timor should be treated as other provinces are treated, meaning opened up.

According to Carrascalao, who is East Timor governor for the second term (1987-92), the declaration of East Timor as an open province like other provinces is "the right medicine" for solving a number of problems that remain in East Timor. "But opening up East Timor, whether in stages or all parts at the same time, depends on the central government," he remarked.

**GOLKAR Chairman Wahono Profiled**  
*42130022a Jakarta KOMPAS in Indonesian*  
27 Oct 88 pp 1, 8

[Text] He is patient. He is unaffected. He is disciplined. He thinks positively. Besides these, people still have many other comments and impressions about him. He is Wahono, who this week is a star, a star on the political stage.

The 63-year-old man was overwhelmed shaking the hands of people fighting to greet him as he left his seat at GOLKAR MUNAS [National Conference] IV at the Senayan Auditorium, Jakarta, on Tuesday evening [25 October]. Without being commanded or organized, every participant wanted to greet Wahono.

In the parking lot, MENKO [Coordinating Minister] for POLKAM [Political and Security Affairs] Sudomo shouted, "Pak [Father] Wahono, Pak Wahono!" The two retired high ranking officers then embraced. "How are you?" Sudomo asked thoughtfully. Former PANGKOP-KAMTIB [Commander of the Command for Restoration of Security and Order] Admiral Sudomo, retired, was the first person at top levels to mention that Wahono should be nominated for general chairman of the GOLKAR DPP [Central Executive Council].

However, Saiful Sulun, deputy chairman of the DPR/MPR [Parliament/People's Consultative Assembly], had said in his office long before the MUNAS, "Pak Wahono is calm, accommodating, and unaffected. I think everyone could accept him."

Born on 25 March 1925 at Mayangan Village, Tulungagung, East Java, he was the 10th of 11 children of the Raden Soerodidjojo family. After graduating from MULO [junior high school] in Kediri, he joined PETA [National Defense Force]. "In PETA I began to meet the military world, although previously I had wanted to be in the civil service. When I became a soldier, I didn't know why I was there," Wahono said, laughing.

In 1943, Wahono underwent Kanbu Kyoiku military training at Bogor. He joined the BKR [People's Security Group] in 1945 and was assigned to studies at SESKOAD [Army Staff and Command School] while at the same time finishing SMA [high school]. After SESKOAD, Wahono became KOSTRAD [Army Strategic Command] assistant II when Major General (now President) Suharto was the commander.

From there, Wahono climbed steadily in his career, slowly but surely. He became deputy chief of KOSTRAD staff, chief of KOSTRAD staff, acting PANGKOSTRAD [commander of KOSTRAD] and then, in 1972, PANGKOSTRAD. After being PANGKOSTRANAS [commander of National Strategic Command] during the period 197-74 [as published], he held his final military post as Deputy KSAD [Army chief of Staff] from 1974 to 1977.

He began his civilian career as ambassador to Burma and Nepal in 1977. Returning home in 1981, he was appointed director general for customs duties. He was governor of East Java from 1983 to 1988. He has been IRJENBANG [inspector general for development] since September and was chosen to be general chairman of GOLKAR on October 25. "I am only a soldier ready for duty anywhere," he said humbly.

As a holder of 9 service medals and 11 decorations, and with a final rank of lieutenant general, he is not all of a sudden at the top of the political organization possessing at least 26 million members, a strength almost never held by the country's two sociopolitical forces, the PPP [Development Unity Party] and the PDI [Indonesian Democratic Party].

"I accept all of this as an honor, not as a victory. No one was defeated. I want to work at this collectively," he said repeatedly.

Wahono's willingness to work with others, his restraint in the face of challenges, and his patience in waiting for long jumps into the future probably are results of his lengthy, varied life. He was born into a big family, the son of gentry of the past.

"I respect Pak Wahono because of his unaffected attitude, among other things," said Saiful Sulun, former commander of the Brawijaya KODAM [Military Region Command].

To speak of Wahono's housing, for example, is to demonstrate his clearcut attitude. When Colonel Wahono had to move to Jakarta with six children and a servant, he had no house. When he arrived in Jakarta, he went into a hotel, where he had only one room. His neighbor's servant even slept in the same room.

"He is never angry, doesn't talk much, and is disciplined in his use of time," said Waris, 50, who was Wahono's chauffeur when he was governor of East Java.

Waris gave concrete examples. The car's fan belt broke one day while they were returning from Malang. "He patiently waited on the side of the road while I fixed it," Waris said. To avoid attracting public attention, Wahono asked Waris to replace his license plate number, "L-1," with a special number. What number? Oh, that's a secret, said Waris with a smile.

Waris also expressed deep impressions of Wahono's family. "He didn't like to bother anyone. He brought his own drink on every trip. He often reminded me to let other vehicles pass," Waris added.

Two of the governor's adjutants, Suparman and Riono, had the same impressions. They never saw Wahono angry. "Moreover, no one was ever angry with him," said Riono.

They recalled that Wahono never took afternoon naps. He arose at 0400 and never forgot exercises or his morning run. "He was never sick, at least as long as he was governor," added Sugeng Riono.

"My impression was that he was close to his family and always tried to eat with them at home. As evidence of that, if he had to delay a meal he would always phone home to ask his wife and children to eat first," said Suparman. When conditions were not pressing, Governor Wahono always arrived at the office at 0630 and went home at 1430.

"Pak Wahono respected the little man. When anyone greeted him, he always acknowledged with a nod," said a civilian guard at the Office of the Governor on Pahlawan Street in Surabaya.

"My impression was that he was not bossy. He more appeared to think positively and had more the attitude of a father. If a job was not done right, instead of getting angry he usually showed how to fix it," said Moh. Faried, SH [Master of Laws], KARO HUMAS [chief of Public Relations Bureau] for East Java Level I PEMDA [Regional Government], who was among those who knew Wahono well.

Faried cited an example of how he saw Wahono as a person who thinks positively. One day while playing tennis with him, he saw that Wahono's partner often made bad shots. "It doesn't matter. Eventually you'll get it. One can't be angry over a bad shot. There's no point in getting angry while exercising. Ha, ha, ha," said Faried, imitating Wahono. Wahono also plays golf occasionally, for he is, we know, a former diplomat.

**Muslim Party Prepares for Next Congress**  
*42130022b Jakarta KOMPAS in Indonesian*  
2 Nov 88 p 12

[Excerpt] Jakarta, KOMPAS—The Development Unity Party (PPP) is preparing to hold its Second Congress next year. The date has not been set, but, in compliance with the party constitution adopted at the First PPP Congress in August 1984, the Second Congress is certain to be held in August 1989.

Drs Mardinsyah, secretary-general of the PPP DPP [Central Executive Council], said this on Monday afternoon [31 October] when KOMPAS contacted him at his office about PPP preparations for next year's Second PPP Congress.

He explained that the PPP DPP has formed three teams to prepare materials for the congress. The three, which were formed in September, are a team to prepare a 1984-89 accountability report, a team to plan enhancements to the AD/ART [constitution/bylaws], and a team for enhancements to the party's line of action.

Mardinsyah said a congress organization committee has not yet been formed, but its establishment will be an easy matter when preparations have been completed. "It's clear that there are no obstacles to plans for holding the congress," he said enthusiastically.

Looking at the teams that have been formed, it can be speculated that the objective of the Second Congress will be to improve mechanisms for administration and for the establishment of a line of action for the party that will expand internal democratization.

Internal democratization, or democratization from the bottom, is being undertaken by the PPP through asking for suggestions from all branch executive councils (DPC's) and regional executive councils (DPW's) throughout Indonesia on enhancing the AD/ART, the party's line of action, and anything related to congress preparations. "This is the first time this has been done in the PPP. Efforts like this were not made prior to the First Congress in 1984," said Mardinsyah in explaining the differences between the First Congress and plans for the Second Congress.

He added that all suggestions from DPC's and DPW's should be received by the DPP no later than 20 November 1988. "Some have already been received by the DPP, but they have not been counted yet," he said. [passage omitted]

### **Rector Clarifies Gajah Mada Student Demonstration**

42130022c Jakarta KOMPAS in Indonesian  
2 Nov 88 p 6

[Text] Yogyakarta, KOMPAS—Prof Dr Koesnadi Hardjosoemantri, SH, [Master of Laws], rector of Gajah Mada University (UGM), considers that the demonstration at the DIY [Yogyakarta Special Region] DPRD [Regional Legislature] on Saturday [29 October] on the occasion of Youth Vow Day commemoration by 75 students claiming to be from UGM did not represent the university. They represented their personal opinions as citizens. Meanwhile, a written statement to the DPRD declaring the views of the demonstrators was submitted to DIY WAGUB [Deputy Governor] Paku Alam III.

When contacted by KOMPAS at his office yesterday, Monday, the rector said that the statement of the opinions of the students as citizens and in their own names was their individual right. "They did not speak in the name of UGM, however. If it were to be done in the name of UGM, there are other procedures that can be used involving talks, discussions, or other things," said Koesnadi.

On Saturday morning, about 75 men and women students claiming to be from various faculties held a "movement," as they called it, in which they visited DIY DPRD offices to present a statement of their position on campus autonomy and socialization. The group, which was orderly, arrived at the DPRD on Malioboro Street at about 1030, while security officers stood guard.

The group was asked to fill out the guest book, which was done by seven student representatives. They were Untoro Hariadi, Budi Munajat, T. Masenis, and Tia Aryati, all from the UGM Philosophy Faculty. Then followed Andari S. and Abdul Latif (Sociology and Political Science Faculty) and Zumpri Bertado, who did not mention his faculty. The other demonstrators were asked to fill out attendance forms by members of the DPRD staff.

Untoro Hariadi and Budi Munajat were the coordinator and secretary of the UGM Youth Vow Day commemoration committee, which that day had also held activities like flag ceremonies, meditation, poetry reading, and discussions at the BPA SEKIP [administrative] building of UGM.

### **Three Points**

The group of demonstrators was then received by DIY DPRD Secretary Hadidarmodjo, SH. On the recommendation of Deputy DPRD Chairman Wahono, leaders of

the legislature did not receive the demonstrators except through representatives. Furthermore, no members of the legislature were present, since there were no DPRD activities on that day.

Nevertheless, the students insisted on meeting the chairman of the legislature to present their petition. Major Abdul Halim of KOREM [Military Area Command] 072, Yogyakarta, then said that their wishes were understandable but warned that students needed to be alert to the possibility that individuals could take advantage of them. Abdul Halim called on the students to return to their homes.

Hadidarmodjo finally authorized the students to present their aspirations, but only by three of their representatives. Negotiations on the presentation then took place, several students read poems of protest, and others encouraged with hand clapping.

In their two-page statement, the students mentioned several issues: social problems such as the work force, education, and social inequality between cities and villages; and the DPR, which they called sterile.

### **East Java's Postharvest Rice Losses**

42130022d Jakarta SUARA PEMBARUAN in Indonesian 1 Nov 88 p 3

[Excerpt] Surabaya, 1 November—Postharvest losses of rice in East Java, especially during milling, are still quite large, amounting to about 4.56 percent annually or about 80 billion rupiahs' worth. The cause of this is the quality of the miscellaneous milling machinery used in the region, Drs Soeprapto, assistant II of the East Java SEKWILDA [Regional Secretariat], said on Monday [31 October] to mill operators participating in the Rice Milling Management Seminar held by the East Java DOLOG [Logistics Depot].

Drs Soeprapto said that, because the improvement of rice production is increasingly difficult, efforts to check high rice losses at the mill level must have the attention of all parties so that losses can be held to only 1 percent. "Although cultivation techniques have been improved through Super INSUS [Special Intensification], challenges are increasingly extensive, especially the decline of about 2,000 hectares in farm land every year," he said. East Java's share of food production every year is about 500,000 tons, or 40 percent of the national target.

"East Java's 1989 target of 700,000 tons places demands on both preplanting preparation and postharvest processing," he said.

Besides the still considerable postharvest losses during milling, he said, there are also farmer-related losses during harvesting, threshing, cleaning, drying, and transport. These losses total about 9.51 percent annually. There has actually been a decline since 1983, but the figure is still above 12.4 percent [as published]. "In the

forthcoming PELITA [5-Year Development] V, however, the targeted figure for farmer-related losses is less than 5 percent. This is a rather difficult challenge, but a

way out must be found because the government has already tried to raise rice production through Super INSUS," he said. [passage omitted]

**Border Trade With Nakhon Phanom, Taxes,  
Living Standards**

42070015b Bangkok DAILY NEWS in Thai  
3 Oct 88 p 7

["Monday Women's Page" column]

[Excerpt] [Passage omitted] Kraiyut Rotphanit, an immigration official stationed in Tha Uthen District, Nakhon Phanom Province, said that Thai-Lao free markets will be opened at various points in Nong Khai and Nakhon Phanom provinces. In particular, there will be four such points in Nakhon Phanom Province, that is, at the Phanom dock, the Muang District dock, the Uthen dock, and the Ban Khaek dock. Every Monday and Thursday, Lao will be allowed to come trade at these markets. It is expected that approximately 300 to 2,000 Lao will come to trade and purchase goods during the hours of 0600 to 1500 hours.

The goods sold by Lao include pigs, fish, frogs, bamboo shoots, and various forest products. The Lao purchase various necessities such as rice, clothing, and consumer goods and transport them back to Laos aboard passenger boats that charge 50 baht per person.

"The Lao don't have much trouble. The people on both sides are related to each other. They come here and purchase various items. They sell only about 1 percent as much as they buy," said Mr Kraiyut.

Mrs Mun Praphat, a 25-year-old pig seller from Laos, said that she lives in Ban Hin Boun. She makes her living as a farmer. That day, she had brought eight pigs, which she was selling for 200 baht apiece. She said that after she sold her pigs, she was going to purchase some clothing, utensils, and food for her husband and children in Laos.

"We purchase various items and take them back. Usually, we buy food and other necessities. We use Thai money. We aren't starving. But we have to pay a tax. If the situation is bad, it makes things difficult. We have to find something else to eat. But now, things are peaceful. Things are good now.

"Things are different from in the past. In the past, you could go anywhere. Thai accepted kip in payment. But now, it is more difficult to cross the border. But there aren't any problems. People have enough to eat," she said.

Bounpeng Sisurat, age 45, who had already finished selling her goods here and who was waiting for the boat to take her back to the Lao side, said that things are now peaceful in Laos just as in the past.

"We farm and fish. We grow bamboo and vegetables. They have given everyone 1 or 2 hectares of land to work. We grow bananas, sugar cane, vegetables, beans, and melons. We sell our produce at the village markets and earn about 200-500 kip a month. We can live comfortably.

"The Lao government collects a tax. We have to purchase goods in Thailand. We have to gather forest products and sell them in Thailand. We use this money to purchase various goods. Some people buy television sets. There is no objection to that. We can purchase anything we want if we have the money. There is no objection to our watching Television Channel 7 [Thai TV].

"We lack doctors. When people get sick, they have to go to Thailand. There are few doctors in Laos, and it takes a long time before you can see a doctor. When my daughter became ill the other day, I took her to the Nakhon Phanom hospital. The doctors there don't charge us very much. Whenever we need something, we purchase it on the Thai side. Things are fine," she said smiling.

**Transportation Cooperation Accord Signed With  
SRV**

BK2011112988 Vientiane KPL in English  
0922 GMT 20 Nov 88

[Excerpts] Vientiane, November 19 (OANA-KPL)—An agreement on transportation cooperation between Laos and Vietnam was signed here on November 17.

The signatories to the agreement were, on the Lao side, Bounhom Phomsavan, head of the Vientiane Transport Service Company, and, on the Vietnamese side, Chung Houan, head of the Vietnamese Transport Service Company No. 8. [passage omitted]

According to the agreement, the two companies will cooperate in transporting goods from the third country via Danang Sea Port of Vietnam to Laos. The sides will also jointly invest in making business on a mutually interest basis. The volume of goods import will be between 50,000-60,000 [metric] tons annually. The volume of export to be handled annually will be between 75,000-80,000 tons, of which 10,000-15,000 tons will be sent to the third country. Their work will start early next year.

### Joint Venture With Soviets Announced

[Editorial Report] Kuala Lumpur UTUSAN MALAYSIA in Malay published an article on 14 October on a joint Malaysia-USSR ophthalmology hospital project at Tanjung Rhu, on the island of Langkawi. Construction of the \$28 million hospital was to begin in November. Promet Berhad, a Malaysian company, holds 51% equity in the project, while IPPMMM (the Moscow Scientific Research Institute of Eye Microsurgery) holds a 49% share.

According to Promet's chief executive, Brian Chang, construction of the hospital will take one year and will be carried out in two stages. The first phase entails building hospital rooms, while the second involves the operating room, laboratory, and other technical requirements. When completed, the hospital will offer eye surgery to correct near-sightedness and far-sightedness by using a Soviet technique known as radial keratotomy. After undergoing this surgery, which will cost \$2,000, versus \$4,000 in Moscow, 99.9% of all patients will regain their normal eyesight, making it unnecessary for them to wear glasses or contact lenses.

During the first year of the hospital's operation, IPPMMM surgeons and staff will supervise all surgery and postsurgical care. State-of-the-art equipment will be brought in from the Soviet Union, Japan, West Germany, and China. Malaysia envisions this eye hospital to be the biggest and most up to date in Asia, and expects 80% of its patients to come from foreign countries.

### Islamic Bank To Finance Palm Oil Purchases

42130019c Kuala Lumpur UTUSAN MALAYSIA in Malay 12 Oct 88 p 14

[Text] Kuala Lumpur, 11 October—The Islamic Development Bank (IDB), whose headquarters are in Jiddah [Saudi Arabia], intends to finance the purchase of palm oil from Malaysia by Islamic countries. This was stated by Dr Lim Keng Yaik, minister of primary industries, on 11 October.

He said that this bank has expressed its desire to finance a special program with the Palm Oil Research Institute of Malaysia (PORIM) to introduce palm oil to Islamic countries.

He said that bilateral discussions are under way between the IDB and PORIM to set up a special program for the 19 Islamic countries, beginning in March 1989.

Doctor Lim made this statement in the text of his speech, which was delivered by Alias Ali, his deputy, at the opening session of a national conference on "Current developments in the coconut palm and palm oil industry" in Kuala Lumpur. The meeting was sponsored by PORIM.

Doctor Lim said that the program used as a model will be very useful from the point of view of developing the market potential of the 19 countries which will participate in the program.

He said that, although competition in the world oil fat market is intense, the market opportunities for palm oil are increasingly attractive.

The countries which still have a market potential for palm oil are in the Far East, West Asia, Africa, and Eastern Europe.

He said: "This potential market is no longer suitable for development through aggressive participation and marketing. We can turn such marketing possibilities into a reality."

Doctor Lim urged the local palm oil industry to develop its technology from all points of view to ensure that the position of this country will always be far ahead of other competitors.

He said: "We also should not take lightly our relations with the consumer countries, because I think that we need to increase our output of palm oil in accordance with changes from time to time in taste and in health awareness, specifications, and knowledge in the consuming countries from time to time.

"We must project the image of a palm oil producing country which stands on its own, especially from the technical and economic, quality, supply, purity, and consumption points of view."

Doctor Lim concluded: "I am convinced that critical reflection on these matters can help us conceive a development strategy which will make an impact, not only for the present but for the future."

About 1,200 persons from the public and private sectors attended the 5-day meeting.

### Developments Surrounding Shahrir's Refusal To Take Oath

42130019b Kuala Lumpur UTUSAN MALAYSIA in Malay 11 Oct 88 p 1

[Article by Kamal Zailani and Rozaid Abdul Rahman]

[Text] Kuala Lumpur, 10 October—A by-election in the parliamentary district of Johor Baharu will have to be held once again if Shahrir Abdul Samad remains obstinate in refusing to take his oath as a member of the Dewan Rakyat [lower house of Parliament] during the 6 months following notification of his victory.

The independent candidate who won the by-election in the Johor Baharu district in August refused to take his oath before Mohamad Zahir Ismail, the speaker of Parliament, on the first day of the present session of the Dewan Rakyat last week.

For that reason Shahrir was instructed to leave the house because he had not obeyed the regulation which requires a newly elected member to take the oath of office before occupying his seat.

Shahrir stated that he had done this because Zahir was a member of the court which ordered the dismissal of Mohamed Salleh Abas, chief justice of the State of Johor. He characterized this action as improper.

He said that his action was intended to fulfill the mandate of the voters of Johor Baharu, who considered that the dismissal of Salleh Abas from his position as chief justice was improper. He said that the Salleh issue was a factor in his victory in the by-election.

When Zahir was interviewed later, he said that Shahrir would be given 6 months, beginning on 25 August 1988, that is, the date on which he was reported to have won the by-election, to take his oath as a member of the Dewan Rakyat.

Zahir said: "I will not permit Shahrir to sit in the Dewan Rakyat as a proper member, as long as he is unwilling to take his oath of office."

Asked what would happen if, at the end of such a period, Shahrir should again win the by-election and still be unwilling to take his oath, Zahir declared: "The same regulation will still be followed, even if Shahrir should win."

At a press conference held at the Parliament building Shahrir declared that he was prepared to face the possibility of another by-election, if the circumstances require it.

Prior to that, Zahir refused to confirm that Taufik Tun Doctor Ismail, a member of Parliament for the district of Sungai Benut, had presented a motion which stated that the session had begun in violation of the regulations because he had not confirmed that Shahrir had taken the oath.

After that the speaker of Parliament announced that the period for answering oral questions had ended. Taufik then stood up and tried to present his motion, stating that because of parliamentary Regulation 14(l) the session had not begun properly.

However, Zahir declared that this motion was poorly considered because, if the deputy speaker of Parliament took over his position, the seat would still be that of the speaker of Parliament.

Zahir asked whether Shahrir would change his mind if the deputy speaker presided over the meeting.

Taufik later was ordered to sit down, and the speaker of Parliament rejected the motion. Then he continued by listing the order of legislation scheduled for a first reading.

Answering a question from a reporter as to whether Shahrir's action was an insult to the prestige of the Dewan Rakyat, he replied: "I do not think that this action insulted the prestige of the Dewan Rakyat."

Zahir regretted the fact that Shahrir had taken such an attitude because he was a member of the court which investigated charges against Mohamed Salleh Abas.

Zahir said: "My positions as a member of the court and as speaker of the Dewan Rakyat are different from each other. Shahrir should not make an issue of this."

Zahir also asked what difference there would be in taking the oath before the deputy speaker of the Dewan Rakyat, since both deputy speakers work for the speaker.

Shahrir is the first member of Parliament to refuse to take his oath before Mohamad Zahir Ismail as speaker of the Dewan Rakyat.

Although called on three times by Zahir to take his oath, Shahrir, who represents the parliamentary district of Johor Baharu, refused to follow his directions.

After Shahrir made no response to the request to take the oath, Zahir said: "Should the honorable gentleman not wish to take his oath, please leave the chamber."

As soon as Shahrir left the Dewan Rakyat, at 1445, Mohamad Taufik Tun Doctor Ismail (independent member for Sungai Benut) stood up to present his motion.

However, Zahir declared that the question of the refusal of Shahrir to take his oath before him could not be discussed.

When Shahrir left the Dewan Rakyat, several independent and DAP members pounded their desktops to show their support for the action by the independent member.

At a subsequent press conference Shahrir declared that he would not take his oath as a new member of Parliament, as long as Zahir Ismail presided over a session of the Dewan Rakyat.

He said: "I will hold firm to my principles expressed at the time of the Johor Baharu by-election."

However, Shahrir announced that he might attend the beginning of the session of the Dewan Rakyat but that he would leave if the speaker ordered him to do so.

Shahrir declared that this situation will continue until the present speaker of the Dewan Rakyat is replaced by his deputy. He said: "This is not a personal matter at all. It is exclusively a matter of principle."

Shahrir did not take his oath before Zahir because he opposed the composition of the court which investigated the case of Salleh Abas, the former State Chief Justice, not long ago. The speaker of the Dewan Rakyat was a member of this court.

When he was asked if, after the passage of 6 months, he did not take the oath, and this caused his claim to a seat as a member of Parliament for Johor Baharu to be cancelled, Shahrir said that he was not sure, but he said that this would not necessarily happen.

However, under Session Regulation 5(1) a member of Parliament may only take the oath before the speaker of the Dewan Rakyat after a prayer is read at the beginning of each session which starts at 1430.

This means that Shahrir may not take the oath in the middle of the session, even if the deputy speaker takes over. However, Shahrir declared that he was always prepared to face a by-election once again if the situation requires it.

**Commentary on MCA-Gerakan Friction**  
*42130019a Kuala Lumpur UTUSAN MALAYSIA in Malay 9 Oct 88 p 7*

[Commentary by Sulaiman Alias: "MCA-Gerakan Friction Worsening"]

[Text] Friction between the MCA [Malaysian Chinese Association] and Gerakan [Malaysian People's Movement], both of which are members of the National Front government, appears to be worsening. What attracted my attention were the style and language used by Ng Cheng Kiat, national secretary of the MCA, in characterizing the leadership of Gerakan as "people who choose to betray their own supporters. They will continue to confuse their own people and will provide them with a false picture by making a number of additional statements."

This charge and this criticism of Gerakan by the MCA are very serious, and I think that the top leadership of Gerakan will reject them.

What is the origin of their dispute? The most recent source of friction is the action by Dr Ling Leong Sik, president of the MCA, in taking leave without pay for 1 month when he still had 2 weeks of annual leave coming.

Chinese language newspapers have reported that Doctor Ling may resign his cabinet post [as minister of transport] 1 month early. He has denied this report in the Chinese language newspapers but has admitted that he is not satisfied with what is going on in the government

now and will take an extended period of leave to settle down and reflect on the future of the Chinese people and the National Front government.

Doctor Ling, who left Kuala Lumpur on 8 October, stated that the MCA considers that the "promises made on educational policy, the new villages, and a number of other issues should have been kept without wasting any more time and without any difficulty."

**Help**

He stated: "Several of the promises were made public by the MCA after obtaining the prior agreement of the ministers concerned. Several promises contained in the program of the National Front in the elections of 1986 have not been kept."

Gerakan termed the statement by Doctor Ling an effort "to arouse the emotions of the Chinese community in order to win back their support."

Dr Ling Kheng Yaik also charged that the MCA is undermining political stability for its own interests.

Gerakan is made up of people who left the MCA. Its present leaders left the MCA when the late Tan Siew Sin became its president. A number of other people later joined Gerakan when Michael Chen failed in his effort several years ago to defeat Lee San Choon as president of the MCA. Many of Michael Chen's supporters followed in his footsteps in leaving the MCA and entering Gerakan.

It is true that Gerakan has accepted members from all groups. However, its members and leadership are composed of Chinese. Some steps have been taken to give the impression that Gerakan is a multilingual party, but essentially it is a political party for the Chinese.

Apparently, the role of the MCA in representing the Chinese community has been undermined by the existence of Gerakan, which also represents the Chinese community.

Another political development which has not reassured the MCA is the statement that Gerakan would like to work more closely with the Sabah United Party [PBS] under the leadership of Pairin Kitingan, chief minister of Sabah.

In fact, cooperation between Gerakan and the PBS was announced about 1 year ago. However, as of now no concrete plans have been adopted by the two parties concerned.

I am not convinced that these two parties can cooperate as they plan to do, apart from the cooperation that takes place between them as parties belonging to the National Front.

Let us return to the dispute between the MCA and Gerakan. Gerakan is made up of those who are not



satisfied with the MCA in its efforts to work for the interests of the Chinese community. In other words, those who lead Gerakan may be spoken of as the "ultras" of the Chinese community.

During the next few years these two parties which represent the Chinese community (apart from the DAP [Democratic Action Party]) will continue to compete as champions of the Chinese community. This will create a number of problems for the country.

Ling Leong Sik states that the MCA has still not been invited to discuss the economic program which will replace the New Economic Policy after 1990.

#### Reaction

The action of Doctor Ling in taking leave without pay has been regarded as a sign of MCA dissatisfaction with the National Front government.

During the next few weeks we will watch a cold war between the MCA and Gerakan, each of them fighting to appear as the saviors of the Chinese community in this country. They will also be joined by the DAP.

What will be the reaction of the Malays to this question? I think that the Malays will be astonished and surprised to learn that the Chinese community as a whole is not very happy about current developments and the present political and economic situation.

The MCA, Gerakan, and the DAP also often express the same views on this matter, particularly regarding the implementation of the New Economic Policy. Leaders of the National Front government, from Prime Minister Mahathir on down, have always said that the New Economic Policy has not fully met its objectives because of the economic recession between 1983 and 1986 and that the New Economic Policy should be continued.

Many non Malays have asked themselves what kind of economic policy will be implemented after 1990. Perhaps the time has come for the National Front to discuss this question within its own ranks so that whatever economic policy is carried out will have the support of all of its members.

The New Economic Policy has only 2 more years to run, and a new draft will take a rather long time to discuss.

Making things more difficult for the National Front government is the dispute going on between Doctor Mahathir and Razaleigh Hamzah, as well as with Musa Hitam.

#### Majority

The MCA and Gerakan, as well as other parties, are aware that the government of this country will be led by Malays. In a general election whichever figure or group wins in a majority of the 85 to 95 Malay electoral parliamentary districts will form the central government.

Should UMNO (baru) win a majority or a plurality of the parliamentary districts which I have mentioned, the National Front government will be led by Prime Minister Mahathir. Should another Malay group win, I think that the support of the Malay community will be accorded to that group.

It is clear that the leadership of this country will be entrusted to those who obtain the support of a majority of the Malay election districts.

At present the concept of the National Front is to help non Malay representatives of the people to win election in districts in which there is a large number of Malay voters.

Friction between the MCA and Gerakan may take into account current political developments.

I would like to advise these two members of the National Front to be careful and always to be vigilant when they appeal to the interests of the Chinese community. This is because I am afraid that this has bad implications for the Malay people and for other indigenous [bumiputera] groups.

The political stability of this country depends on close cooperation between all of the linguistic communities. Their respective interests should be carefully protected. The interests of the non indigenous communities in this country depend on the sense of justice displayed by the indigenous leaders. I see no evidence of injustice displayed by the indigenous leaders at this time.

**Intelligence Network for 'Hindering Trade'**

42000031b Manila *BUSINESS WORLD* in English  
1 Nov 88 p 2

[Text] Confirming allegations that the country is still engaged in a "cold war" against socialist nations, Foreign Affairs Secretary Raul S. Manglapus recently blamed Government's intelligence network for hindering trade with socialist nations, including Russia.

In a public hearing of the Senate finance subcommittee I, the foreign affairs secretary said, "Intelligence agencies do not encourage Government to enter into trade and commerce activities with socialist countries," adding that "our intelligence system has been absurd (on this position)."

Sec. Manglapus supported emerging proposals from Congress to increase trade relations with non-United States aligned countries, as the country needs to widen its export markets that peg more competitive prices on imported goods.

Buttressing this point, Senator Leticia Ramos-Shahani, foreign relations committee chairman, urged the Administration to diversify its ventures to countries where Philippine products can be more competitive.

The Pangasinan solon further maintained that local commodities have less chances of being noticed in traditional markets—U.S., Japan and even ASEAN neighbors—as these places are saturated with either American- or European-made articles.

Sen. Shahani also debunked Government's alleged ongoing cold war with socialist countries, adding that "trading with Russia, for example, doesn't mean that we let go our guard on our maintaining security; otherwise, we will be a non-nation because we cannot compete."

The Armed Forces has lately expressed concern over USSR aircrafts' alleged intrusion into Philippine territory coming from Cam Ranh bay in Vietnam to monitor American military facilities in the country. This has further increased the military's speculation of security threats in case trade relations are opened with Russia.

Although the stage is set for trade relations with socialist countries, Sen. Shahani said allegations that the Soviet Union is supporting the local insurgency movement contribute to Government's hesitation on forging trade ties with the USSR.

The Soviet Union has lately sent feelers to establish economic affiliations with the Philippines with the recent visit of a trade delegation from the Russian Socialist Federation of Socialist Republics, including backing the economic recovery program through loans, grants and technical aid.

Russian officials also told a recent Philippine congressional delegation to Moscow that their country is agreeable to allowing Filipino workers to seek employment in their underdeveloped areas' infrastructure projects.

**Saudi Arabia To Attend RP Meet**

42000031g Manila *PHILIPPINE DAILY INQUIRER*  
in English 1 Nov 88 pp 1, 7

[Text] Saudi Arabia, the prestigious Islamic state that harbors Islam's two holiest shrines, will attend an international conference in Manila on Muslim problems in the Philippines, Sen. Mamintal Tamano said in Riyadh yesterday.

Tamano, who is in the kingdom with a delegation discussing stronger communication links between the two countries told ASSOCIATED PRESS that the Philippine Congress "will pass a law providing autonomy for certain areas in our country, including the Muslim area in the South."

He said the demands of Nur Misuari, chairman of the Moro National Liberation Front (MNLF) which leads a rebel struggle for independence of the Mindanao, were "substantially being met."

Tamano added: "The elected representatives of the Muslim Filipinos, like me, are closely following up the drafting and passage of this law."

He did not spell out the purpose of the Manila conference in January. But it appeared designed to publicize the cause of the Filipino Muslims and break a stalemate in efforts to reach a compromise settlement with the Manila government.

Saudi Arabia, through the 46-nation Organization of Islamic Conference and the Muslim World League which have their headquarters in the kingdom, had tried to mediate a settlement. But talks have been deadlocked for months.

"We have invited the Muslim World League to play an important role in the conference. Through the MWL, the Saudis will be helping us," Tamano said. He added that OIC Secretary General Sharifuddin Pir Zadeh will deliver the keynote address.

Misuari was also in Saudi Arabia this weekend. He was quoted by the local press as appealing to the OIC and other Islamic organizations and individuals "to release, augment, and extent moral, material, financial and other vitally needed assistance to the MNLF."

Misuari also asked the OIC to call an emergency meeting of its quadrapartite committee, which includes Saudi Arabia, Libya, Senegal and Somalia, to evaluate the situation in Mindanao.

In Manila, meanwhile, Sen. Santanina Rasul said the appointment of Dimas Pundato as head of the Office of Muslim Affairs (OMA) may imperil government efforts to resume negotiations with the main MNLF faction led by Misuari.

Rasul, who was interviewed by newsmen after the breakfast forum *Kapihan sa Maynila* at the Manila Hotel, said the appointment of Pundato, head of the MNLF reformist group, may dissuade Misuari from going back to the negotiating table.

"OMA should not be headed by someone associated with this (Pundato's) splinter group if we would like Misuari to feel that negotiations with the government would be meaningful and that we really intend to solve the peace and order problem," she said.

Rasul, who is helping government revive peace talks with the MNLF, said Pundato's appointment is also seen by some Muslim leaders as a "divide-and-rule" tactic used by the administration against Muslim rebels.

It is also perceived as "discriminatory to the Tausugs" of Sulu, she said adding that leaders of other Muslim ethnic groups except the Tausugs were given a chance to head the OMA.

"It might be taken to mean the leadership doesn't give enough importance to the Muslims of Sulu, which ironically, is where the insurgency started, the base of Misuari," said Rasul, who is a Tausug.

The senator said the dialogs with Muslim groups in Sulu have eased tensions earlier reported brewing in the MNLF bailiwick.

She said they are still waiting for Misuari's response to their invitation to resume peace talks with the government.

#### **Foreign Investors Allowed 100 Percent Equity in Mining**

42000031a Manila BUSINESS WORLD in English  
1 Nov 88 p 1

[Article by Rene T. Valbuena]

[Text] Foreign companies offering technical or financial assistance for large-scale mining projects involving investments of at least \$50 million, can now negotiate contracts with the Secretary of Environment and Natural Resources.

Trade and Industry Undersecretary Lilia R. Bautista disclosed this yesterday.

Ms. Bautista, who is also the head of DTI's legal and administrative group, told *Business World* foreign mining firms can "negotiate" such contracts even before the rules and regulations governing Executive Order 279 are finalized and legislation on a new mining code is passed by Congress.

#### **Legislation**

EO 279 allows 100 percent foreign equity ownership of mining operations of not less than \$50 million. The new mining code pending in Congress aims to harmonize provisions of EO 279 and Presidential Decree 463, the present mining code.

According to Section 4 of EO 279, the DENR Secretary can recommend to Malacanang the approval or disapproval of proposed mining operation contracts by foreign firms.

Sections 1 and 2 of EO 279 also authorizes the DENR Secretary to negotiate and conclude joint ventures, co-production or production-sharing agreements in mining ventures under Section 2, Article XII of the 1987 Constitution.

On the other hand, Ms. Bautista said, the President may or may not approve such contracts based on their real contributions to economic growth and general welfare of the country, and the development and use of local scientific and technical resources promoted by the proposed contract or agreement.

Ms. Bautista said the move to allow foreign firms in large-scale mining operations "can further tap potentials" of the mining industry for creating employment opportunities and for providing social service in rural areas where mining operations are often located.

"Such benefits are on top of the advantages such as receipt of export earnings to finance national development, payment of foreign loans and the agrarian reform program," she added.

Among investors who earlier expressed interest in mining investment opportunities are Canadian mining firms from Vancouver, who according to a report by an investment mission to Canada recently, were just waiting for the finalization of the guidelines on EO 279. (See BW, 26 October.)

#### **Projects**

The announcement by Ms. Bautista may also be the signal for the Board of Investments to approve pending mining project proposals.

As of early this year, the BOI has lined up three mining projects for approval under EO 279. Three to five more mining project proposals are expected to come in within the year up to the first quarter of next year, according to a BOI official.

Pending approval by BOI is the P760-million investment proposal by Freeport McMoran Resources on a sulphur mining project in Negros.

A P127-million project in chromite ore mining and another one in ferrochrome smelting has been proposed by Integrated Chrome Corp.

The BOI is also looking at a P209-million gold mining project of Banahaw Mining and Development Corp.

### New Collaborators To Gain From Pact

42000031e Manila THE MANILA TIMES in English  
2 Nov 88 pp 1, 6

[Article by Mario Pl. Chanco: "New Collaborators To Gain From Pact"]

[Text] A new kind of Filipino collaborator stands to gain the biggest economic and political advantages as a result of the military bases agreement recently signed between the United States and the Philippines.

"This new breed of opportunist is definitely more sophisticated and deadlier than the collaborators who worked hand in glove with the Japanese military during the occupation of the Philippines," said Sen. Joseph Estrada.

"To keep their present advantages, they will not raise a voice while their tribal countrymen are relocated for a pittance, and the country's patrimony and sovereignty are regarded as being of little of nor consequence despite the heroic Filipinos who died to give them the freedoms they are even now misusing."

Estrada's blast came at the close of a television program aired late Monday night during which host Randy David drew out from several guests information that:

- The "unhampered military operations" proviso currently enjoyed and now expanded under the bases agreement confirms the right of American warplanes on "red alert" patrols to carry nuclear-armed bombs anywhere over the Philippines. During ordinary patrols, planes carry conventional bombs, some of which have caused death or injury to Filipinos living in proximate areas.
- While the American contribution to Filipino employment remains large, the current trend in base areas is for the tenants themselves to build facilities previously supplied by Filipinos. Even a new batch of more than 700 new housing units was set up and furnished with mainly imported component parts.

Economic support funds previously set aside for the development of infrastructure in base support towns, while apparently increased under the new agreement, have now vanished since they are to be applied for payment of the country's huge foreign debts.

The tax income of adjacent towns from the operations of firms that do business with the base is also negated by charges reaching as high as 28 per cent, levied by internal PX mechanisms within the base areas.

Senator Estrada made copious notes of the testimonies furnished by town officials, a minority citizen due for relocation, a PC colonel and other parties adversely affected by the agreement signed recently in Washington, D.C.

The PC officer testified about previous incidents that saw the killing or wounding of civilians as a result of dropped bombs and explosives.

One of two town officials confirmed the incidents and spoke of others that had not been recorded or acted upon.

He said it was common knowledge within the base that when a red alert is raised, the warplanes are equipped with nuclear bombs and can cruise the length and breadth of the archipelago under the authority given them to enjoy "unhampered military operations."

"That phrase can mean anything," the official said. "It could also mean that in case of any failure or accident attached to the flying of such patrols, a fully-armed nuclear bomb could fall upon any part of the Philippines and wreak terrible damage there."

A minority representative from an area sought to be relocated with the aid of a \$5-million appropriation said he and his fellow tribesman would refuse to leave their ancestral homes even if forced.

He replied to questions about a "better life" if his people comply with the desired relocation by saying, "We have that now. Even if the Americans should move out, we can expand our acreage and grow more bananas, cereals and other crops to sell to our countrymen."

### Analysis Concludes Opposition Lacks Credibility

42000032e Manila THE MANILA CHRONICLE in English 3 Nov 88 pp 4, 5

[News Analysis by Alfred A. Yuson: "Spare Us From the Opposition"]

[Text] That front page photo of Senator Enrile holding a candle, as it were, to Camp Crame's gate brings to mind similar incredible images reflective of the sorry state of the opposition.

Only last week, the same Manong Johnny, this time with Manong Ernie, were pictured as a pair of Mary Pop-pinses hotfooting it on a prison catwalk, umbrellas fending off the rain for an ocular inspection (as part of a personal investigation naturally in aid of legislation) of Col. Baula's alleged death spot.

Another classic Enrile image if of course that idealized video commercial when as senatorial candidate he regaled us with a Christian pitch while seated patricianly in a soft focus garden with a Bible on his lap and children gliding in the background.

Now what do we make of these images-in-time, but that they are all consistent with the senator's gritty determination to project himself as a political alternative, no matter what prop—Bible, umbrella, candle—he has to wield, not to speak of stance he is forced to take.

In that candlelight ceremony at Edsa, where the senator obviously tried once again to replicate a catalytic experience that more astute political observers insist cannot ever happen again, he simply got what was coming to him, that is, his just desserts anew.

Finding himself surrounded by the usual fringe throng of Marcos loyalists, Enrile had to make the most of an awkward situation by voicing out an appeal for the return of the man whose flight into ignominy he had engendered. Was that only two-and-a-half years ago?

Politics being of impermanent interests, however, Enrile as oppositionist just had to take the contrary position to that of the lady he would now rather replace.

Thereby hangs the tale of the current opposition. It isn't one grounded on serious issues, legitimate grievances or the promise of a more efficacious alternative, but one that relies simply on an automatic invocation of contrary position. As such it continues to want for credibility.

More's the pity for the public, an increasing number of which may now feel disillusioned by Cory but who have no real alternative to turn to. For who is there among the oppositionists and Cory critics whom we can believe in—who hasn't been discredited, who is not tainted with overriding ambition and self-interest, who isn't perceived to have turned bitter for being left out of Edsa's spoils?

Let's go down the list. Maceda? While he undoubtedly has sharp political acumen, his moves have been all too transparent. He's the fellow who's likely to teach Miriam Santiago important lessons on the initial value and subsequent danger of high media visibility.

Pronounce an issue, any issue, and Maceda will have something to say about it. Open a potentially controversial crack and Maceda will poke his investigative head into it, with Channel 7's Jun Bautista right on his heels to provide instant coverage and generous sound bites.

Maceda faints at his son's wedding and it's played up in the papers. Maceda sneezes into a hankie and his picture makes it to the national news spread. Maceda visits military camps a la Bob Hope and he practically takes over Channel 7's newscast.

What about Doy Laurel? Yeah, what about him? He shares with Enrile and Maceda at least four dubious distinctions: (1) disproportionate ambition; (2) having once been with Cory and since dropped; (3) an unfortunate mien that often registers a repelling sneer; and (4)

consistent failure to realize that the only support he can hope to have will come from rabid anti-Coryists, e.g. Marcos loyalists, Rightists, other discredited politicians.

Who else are there? Homobono Adaza just lost a bet involving a case of champagne for inaccurately predicting Cory's downfall before November. Kit Tatad glories in an intellectual as well as a facial sneer. Both had been quickly dropped from the erstwhile Cory camp and had automatically reverted to gadfly status, only to lose in the elections.

Reuben Canoy? He couldn't be taken seriously even before he issued his Mindanao play money. Enrique Zobel? Wilson Gamboa? Where are they now? The Marcos minions such as Ablan, Albano, Roño—spare us.

The problem with the opposition stalwarts is that nothing the Administration does ever gets their nodding approval. Every single stand Cory takes is a tragic error as far as they're concerned, something which easily convinces everyone else that their political judgement abides by personal bitterness rather than quality of discernment.

What the public would appreciate is an oppositionist who does not obstruct at every turn, but impartially points out the relative merits and demerits of an administration that certainly has its fair share of both.

Blas Ople comes to mind, on occasion, as an effective critical voice of selective perception. But his basso profundo and drinking habits turn off potential admirers. Eva Estrada Kalaw was never as shrill as, and there had more credibility than, any of the above-named gentlemen of the scattershot school, but has lain low for sometime now. Roy Golez still enjoys a reputation for having been an efficient manager, but seems content to utilize his skills in marketing tussles.

Perhaps all three have the good sense to realize what they are up against, and so refrain from following the doomed examples of those reputed to be major contenders.

There is arguably some hope in having a credible opposition tandem in Senators Salonga and Estrada. Salonga for one has by turns supported Cory and taken intelligent issue with her, while Estrada can well cultivate, especially with the masses, the image of a natural populist oppositionist who carefully picks his spots.

We can assume that Salonga will gradually step up his choice criticism of the Administration as he hopes to fill the current void that is an enlightened opposition. But 1992 remains far-off and Cory's minions are said to have some goods on him, which they will certainly use to cut him down should the need arise.

For now, it's alas and alack for the rest of us who may perceive alarming evidence of inefficiency in Cory's rule. No credible alternatives have surfaced so far to present or promise a better program of government that we may believe in.

Unlad-Bayan has come and gone, UNA seems to have followed suit, and a revitalized NP still has to evolve. While Laurel, Enrile, Maceda et al continue to turn us off with kneejerk responses and canine leers, and Adaza at best shows off a silly and not-too-endearing grin.

Between a plodding, compromising, inefficient Cory and grandstanding obstructionists galore, who do we hope may eventually lead us out of our deepening levels of morass?

**Endorsements for Ople to ILO Post Reported**  
*42000032d Manila THE MANILA CHRONICLE in English 3 Nov 88 p 4*

[Article From the "Scope" column by THE CHRONICLE staff: "Is Drilon Backing Up Ople's Bid for the ILO?"]

[Excerpt] The Trade Union Congress of the Philippines (TUCP), which has been lobbying for President Aquino's endorsement of Blas Ople to the top post of the prestigious International Labor Organization (ILO), has become an unwitting spokesman for Labor Secretary Franklin Drilon.

In a press release, TUCP said that Drilon would recommend Ople to Mrs. Aquino.

As many people by now know, Mrs. Aquino puts much weight on the recommendations of her Cabinet members and advisers. Thus, with Drilon's endorsement, Ople's bid to bag the ILO director-generalship should now be in the can.

But oddly, Drilon has not issued a press statement on whether or not he will indeed endorse Ople. Or has he delegated that task to the TUCP?

Ople's bid, however, may be set back by Lapiang Manggagawa's (LM) endorsement of him. Like the TUCP, Lapiang Manggagawa is a conservative, vituperously anti-communist group.

Of course, LM is a non-entity as far as trade union strength is concerned. It projects itself through mountains of press releases, and not through the strength of union memberships or the militance of the issues it embraces.

Its endorsement of Ople must have just been one of its usual public relations efforts.

Ironically, its support of Ople may backfire on the former labor minister. LM, if you have forgotten, staunchly supported Ferdinand Marcos in the snap presidential election. [passage omitted]

**Chamber of Commerce Reports Coming 'Boom' in Cebu**  
*42000032c Manila PHILIPPINE DAILY INQUIRER in English 3 Nov 88 p 10*

[Article by Artemio T. Engracia, Jr., Editor]

[Text] Cebu City—More investments are pouring into the island-province of Cebu due to its reported economic boom according to the Cebu Chamber of Commerce and Industry (CCCI).

Philip Tionko, CCCI president, said the business boom has stirred the hornets nest, causing massive property buying and investments in real estate and commercial development.

A brief CCCI environmental scan had shown that new areas are being opened to more housing facilities, and new commercial centers not only in Metro Cebu but also nearby towns, he said.

In Balamban, Cebu, which is being eyed for the establishment of new provincial capital, Tionko said, the Aboitiz group has earmarked about 100 hectares for development of a subdivision and prawn farm.

The 35-hectare subdivision has an outlay of about P70 million, he revealed.

This apparently is in preparation for the completion of the Cebu trans-central highway that will directly link Cebu City with the town of Balamban, he added.

Another 23-hectare farm is also being developed by the Aboitiz group in the town of Asturias adjoining Balamban. He added that the International Pharmaceuticals Inc. (IPI), manufacturers of such product as Mama's Love and Bioderm, is also developing a 60-hectare prawn farm in Balamban.

At the 119-hectare Mactan Export Processing Zone in Lapulapu City, Tionko said, the number of foreign investors has increased from a measly six in 1985 to 13 this year.

Due to the lack of pre-built government factory houses, about seven foreign firms are on the waiting list at the zone, he pointed out.

They are, however, being encouraged to construct their own factories to facilitate their entry in the area, he explained.

With the announcement made by businessman Henry Sy and the Gaisanos to build multi-million peso shopping complexes at the 169-hectare Cebu North Reclamation area in Cebu City, lot owners have also started to make their own development plans in the area.

Tionko said not only are the lot owners building service facilities, they are also constructing warehouses for storage in preparation for large cargoes coming into Cebu.

While Manila buyers are offering to buy their lots, Tionko said, until now nobody is yielding any of their properties.

At the Club Filipino de Cebu golf course area, lot owners have started to develop their properties by putting up service facilities like restaurants.

The area within the vicinity of the old Lahug airport in Cebu City is also bustling with investments activities, Tionko said.

This, he said, is in preparation for the move of the Cebu provincial government to transfer the airport outside of Cebu City and the opening of a road that will link Salinas Drive traversing the runway to San Jose de La Montana Ave.

A new shopping complex is being constructed right at the corner of Salinas Drive and Gorordo Ave., to be called Food City, he revealed.

#### **Columnist on Need for Government To Push Rebel Return Programs**

42000032b Manila *PHILIPPINE DAILY INQUIRER*  
in English 3 Nov 88 p 4

[Commentary by Belinda Olivares-Cunanan in the "Political Tidbits" column: "Let's Push the Rebel Rehab Program"]

[Excerpt] The bicameral move in the House of representatives for an accounting of the P1.2 billion funding of the National Reconciliation and Development Program (NRDP), more popularly known as the rebel rehabilitation program, should be as good occasion as any to focus on the direction and vision as well as the effectiveness, or lack of it, of this program.

The NRDP program was meant to decelerate the armed conflict by means of a policy of attraction of non-ideological rebels through a combination of providing basic needs, including restoring them to health, as well as vocational training and livelihood. Ranking military officers, however, have expressed dissatisfaction over what they consider the lackluster record of the NRDP program, which, in their opinion, has barely dented the strength of the insurgency.

When I was in Cotabato two weeks ago, Col. Orlando Soriano, commander of the 601 Brigade of the Sixth Division, raised the question of whether government really means business in wanting to attract the rebels back. "We try to work hard to dialog with the rebels, and there are many of them who are truly tired of war and want to go back to their families" says Soriano. "But after we succeed in coaxing them to give up their arms, what happens next? Is there anything concrete that government can offer them?" Soriano advocates an accounting of the rebel rehabilitation fund and monitoring of the efficiency of government agencies involved.

Various commanders in the field that I have talked to certify to the desire of a growing number of rebels to come down and rejoin society, but unfortunately the impression these military commanders have is that the civil government is half-hearted about the rehabilitation program. Perhaps the impression is not fair, for one big problem here, as in many other programs of government today, is the inadequacy of government funding, on which the program's success hinges. But lack of funding is only part of the problem, for private agencies have demonstrated that they can get funding for their rehab programs. In Cagayan de Oro, for instance, Fr. Ernesto Javier, S.J., president of Xavier University, has succeeded in getting funding from a foreign government to finance a program which involves building low-cost housing and providing livelihood programs for some 1,000 rebel returnees. In Iloilo, Mrs. Lina Griño, wife of Gov. Simplicio Griño, has started her own program for a small group of returnees to be funded by private foundations.

These and other private individuals have demonstrated that where there is a will there is a way. I have no doubt at all that a rebel rehabilitation program, properly packaged and dynamically implemented, would be able to tap vast resources here and abroad from people and organizations committed to democracy. Recently the President appealed to private business groups to absorb rebel returnees into their work force; but such appeal would work better if the rehabilitation program could be overhauled, and placed under a dynamic implementor who will work at it fulltime. This means the program should have a fulltime staff, not merely attached to a department.

For every rebel whom government can coax to abandon the way of violence, several lives are easily saved (his own plus those he has the potential to destroy) which are assets to this nation. Last All Saints Day evening at Libingan ng mga Bayani [Hero's Cemetery] in Fort Bonifacio I met two retired generals both of whom had sons who had died at the hands of NPA rebels. Retired Gen. Romeo Reciña's son, a first lieutenant, died just weeks ago in Aurora, while Gen. Alfabeto's son, also a lieutenant, was killed in an encounter in Abra. Both lieutenants lay buried in Libingan ng mga Bayani [Hero's Cemetery], where candles were lit and little flags adorned the crosses of the country's fallen soldiers. Gen.

Reciña, still obviously visibly shaken by his son's recent death, said "this stupid senseless war" was claiming the flower of our youth. Indeed, one might add, and on both sides of the ideological fence, too.

**Columnist On 'Unimpressive Results' of Aquino's 1000 Days**

42000032a Manila PHILIPPINE DAILY INQUIRER  
in English 3 Nov 88 p 4

[Commentary by Melinda Quintos De Jesus in the "Human Factor" column: "After 1000 Days"]

[Text] President Aquino called attention to the passage of her 1000 days in office on 21 November when she informed foreign correspondents that she would then present her own assessment of her performance on the job. Without this presidential remark, the date would have probably passed without notice.

These landmarks have ceased to be regarded as meaningful vantage points from which to view the progress of her presidency. After the restoration of democratic institutions, Corazon C. Aquino seems satisfied that she has fulfilled her historical role. All her other tasks can be relegated to matters of routine and marking time.

Too often her key speeches have proven to be just a lot of talk, followed with little action. The dramatic impact of her speech to the businessmen on 23 October 1987 died down with unimpressive results. People have ceased to expect anything more from her presidency, except perhaps to hope for her sake and the sake of the nation, that she can hold out against those who unlawfully challenge her legitimate authority.

For her part, President Aquino sees herself as nothing more than a transitional president, someone chosen to oversee the process of dismantling the dictatorship and restoring democracy. This in itself is an achievement, but given the retrogressive tendencies demonstrated by the politicians whom she helped to place in power, Cory Aquino's legacy remains a limited one and painfully inadequate to serve the needs of the times. There is therefore little to crow about. With the political institutions nominally in place, she has not forced these to serve as instruments of reform. Thus, the conservative elements, those who have traditionally profited from the political patterns of the country have prevailed and overtaken the agenda for land reform, for sectoral representation, and for an active and committed dispersal of economic power.

The reports on the FOCAP news conference recorded her statements describing her realization in office that politics involved compromise and give-and-take. Her words indicate that she feels she has been thwarted by other forces, that she set out with a reform agenda which she was forced to give up.

But on the reform issues previously mentioned, the record reveals, not a thwarted presidential will, but a lack of presidential conviction. Apart from her defense of selected appointments and the barangay elections issue, the President has not allowed herself to get into the political fray and do battle with those politicians who resist her goals of political, social and economic reform.

President Aquino's interpretation of her role has always been a passive one. It did not take long for political observers to note that she brought to her office no clear vision of what her six years in office should bring about. Indeed, if all she thought she needed to do was to restore democratic institutions; then her job, as she set it for herself, was done with the elections of the local officials early this year. There are now serious doubts about whether she intends to accomplish anything more during her term of office.

This is unfortunate. Her "transitional" term is a crucial one in terms of setting the scenario for the Philippines after 1992. A transitional president can make a difference only if the momentum for long-term reforms is secured during the period. Otherwise, even the short-term gains can be wiped out by sheer inertia or by those who, with greater vigor, counter the moves to re-structure the existing power centers.

Such an outcome would be ironic. Corazon Aquino is historically a unique political figure. A non-politician, she has enjoyed the kind of popular support that few politicians can claim. But she was expected by those who put her in power to bring about meaningful political change. As a non-politician, she was expected to break the mold, to discard the cake of political custom.

If she sets her mind to it, the President can still do it. She still retains the people's support and a level of international goodwill that has opened up new sources of fund assistance. And because she is clearly not interested in prolonging her political career, she can afford to take those kinds of political risks in order to achieve genuine political reform.

After 1000 days, the only question left to ask is "Will she do it?"

**Columnist Hits Graft Between Mitra Press**

42000031c Manila BUSINESS WORLD in English  
2 Nov 88 p 4

[Commentary by Ninez Cacho-Olivares in the "My Cup of Tea" column: "So What Else Is New?"]

[Text] Speaker Ramon Mitra Jr., wrote a House reporter, visited the Chamber's media center last Friday and personally handed a bulging brown envelope (said to have contained P20,000 in crisp P100 bills) to a lady reporter.



"Shocked upon seeing the amount of cash she was holding, she turned it over to another newspaperman, an officer of the press corps."

What seems clear enough is that (a) the top official in the Lower Chamber, who is three heartbeats away from the presidency, is an avid supporter of "envelopmental" journalism; and that (b) despite the "shocked state" the reporters were in, the money was counted (else, how did they know there was P20,000 in the envelope?).

What happened to the money afterwards, the reporter did not say. Thus, the reader was left to wonder whether (1) the money was accepted and distributed to the other members of the House press corps, or (2) returned to Mitra.

One wonders: with this "expos," will the House conduct an inquiry—in aid of legislation, of course—on the reported payoffs to the media by its highest official - the Speaker? And if it does, will the members of the House press corps "tell all" and reveal other instances of media payoffs by other members of Congress?

It is, after all, a "new" Congress—so we are told. A democratic and moral Congress - so we are also told. A Congress that is bruited about as one of the great achievements of the Aquino Government, being one of the democratic institutions it has established.

One wonders then: if it is—as an institution—such a great improvement over the old Batasan, why are its members turning out to be just like the old Batasan assemblymen? And, with exceptions, why have the media, under a new, free, moral and democratic atmosphere, become much like the Marcos media, indulging in both developmental and envelopmental journalism?

Some journalists justify their "developmental" and "praise" release style of newswriting by saying that we have today a fragile government, one that must be helped in its search for political stability because what this country needs urgently is stability.

Negativism is a no-no, it being a great destabilizer of government efforts to get the country back in shape; that adversarial journalism is pass, while "positive" and "responsible" journalism is in. As if adversarial and "negative" journalism can't be responsible journalism!

This was the very same journalistic spiel peddled by the Marcos Government. I didn't buy it then, I don't buy it now.

Very little has changed. We are constantly being reminded that a new order has been installed. And yet we know that the old order is still very much with us. We are being told that our legislators—those who denounced the dictatorship and the corrupt practices that abounded

then—belong to a different breed. The public has realized that they are no different from the Marcos legislators. They, too, believe in payolas.

And they want to enact bills that could curb if not minimize graft and corruption in government?

And what can one expect from the new political monolith—the LDP, which claims to be different from the KBL? The LDP says that unlike the Marcos party, the LDP pays its own way. But if the leader of the LDP personally hands out P20,000 to House reporters, one wonders how much more he and the LDP members will be handing out to the press and the voters if and when Mitra becomes the LDP's presidential candidate.

Reforms are not going to come under the new regime because our leaders, like our leaders of yesterdays, are not interested in instituting reforms and transforming society - only in keeping themselves in power and position. Only in projecting a "positive" media image of themselves. What was once deemed wrong and immoral under the Marcos regime is now deemed right and moral since it is they who are now in power.

Neither are we going to have a better media because we still have, among us, the hungry, the unscrupulous, the non-professionals and the dogs in the kennel.

I suppose the press and Government deserve each other.

**Insurgency To Be Wiped Out in Ilocos Next Year**  
42000031d Manila THE MANILA TIMES in English  
1 Nov 88 p 2

[Text] San Fernando, La Union—Insurgency in the Ilocos region is expected to be wiped out next year, an official of the National Economic and Development Authority said.

NEDA regional director Joseph Alabanza told a recent seminar in Baguio City on peace and order and development that the four Administrative Region have prepared their action plans designed to wipe out insurgency in their areas by the end of 1989.

The action plans were submitted by the provinces of Pangasinan, La Union, Ilocos Sur and Ilocos Norte in the Ilocos and Abra, Benguet, Mt. Province, Kalinga-Apayao and Ifugao in the Cordilleras.

Brig. Gen. Orlando Antonio, Ilocos PC-INP commander, said civilian and military officials joined hands in preparing a common action plan to eradicate insurgency in their areas.

The action plans were directed to solve the insurgency problem through economic development, Alabanza said.

The seminar was graced by Pangasinan Gov. Rafael M. Colet, chairman of the Regional Development Council and Ilocos Norte Gov. Rodolfo Fariñas.

Noteworthy among the action plans were the fielding of various teams to the different barangays to conduct a direct contact with the people and initiate solution to their problems, Alabanza said.

He said that in Pangasinan, civilian and military authorities are targetting to field Barangay Action Teams in different insurgency-affected villages to reach out the people.

### **Ilocos Farmers Back CARP**

42000031f Manila *MANILA BULLETIN* in English  
1 Nov 88 p 5

[Text] BATAAC, Ilocos Norte—Ilocano landlords and farmers pledged yesterday full support to President Aquino's Comprehensive Agrarian Reform Program (CARP) as they formed themselves into Barangay Agrarian Reform Committees (BARC) to help speed up registration of land ownership under Republic Act No. 6657.

The pledge was made during the awarding of 939 emancipation patents to 256 beneficiaries at the cultural center here by Agrarian Reform Secretary Philip Ella Juico.

The landowners, led by Congressmen Roque Ablan and Mariano Nalupta, both KBL, assured Secretary Juico CARP will not encounter major problems in its implementation as Ilocos Norte has no big plantations.

Secretary Juico, the first Cabinet official to speak before the people of former President Ferdinand Marcos' hometown, expressed President Aquino's gratitude for the Ilocanos' welcome for the program and promised both landlords and farmers of the government's support to projects that will pave the way for the establishment of more productive industries in the province.

He directed DAR personnel in the provinces, headed by lawyer Rogelio Arquillo, acting provincial officer, to attend to the needs of farmer beneficiaries.

Juico also praised the Ilocanos for their pioneering toil in agriculture by opening up untilled lands not only in other provinces in the country but also abroad.

The Ilocanos, he added, deserve to be emulated for their traits of being frugal, sturdy, and adventurous.

Juico said the distribution of emancipation patents "was not made as something to correct an unjust situation" but to further improve the existing agrarian situation which would eventually make agriculture more productive and profitable.

The DAR secretary later motored to Vigan, Ilocos Sur, where he also distributed some 850 emancipation patents. He is also scheduled to award 500 more patents in La Union on Wednesday.

Juico said his department has already distributed 9,011 emancipation patents or 14 percent of the region's 63,680 patents involving some 4,461 hectares benefiting a total of 5,768 farmers.

He said that with the formation of agrarian reform committees in the barangays, the department's operation land transfer (OLT) will be accelerated at a pace 28 times faster.

The secretary informed the landowners and farmers that other guidelines for land distribution, particularly those covering 50 hectares and below, are being tested in the field to ensure effective implementation later.

For big-scale farms, the DAR official said that unless Congress amends the provisions of the CARP law, implementation of reforms will be delayed at least for the next ten years. (JFD Bautista)

**Opposition Leader Comments on U.S. Trade, Indochina**

42070016a Bangkok *KHAO PHISSET in Thai*  
24 Sep-4 Oct 88 pp 14-17

[Interview with Narong Wongwan, the leader of the Ruam Thai Party, an opposition party; date and place not specified]

[Excerpt] [Passage omitted] [Question] There are reports that on 12 September, representatives from the Ministry of Foreign Affairs lobbied members of opposition parties at the President Hotel.

[Answer] No one was lobbying anyone. We invited them to come. We wanted to know what the situation is like. We wanted to know what position the country is in. The opposition is concerned about the country. I want to make it clear that the opposition is concerned about the country. Take the Copyright Act, for example. We don't understand this and must study it. We have to determine how great an effect the Trade Bill will have on Thailand. We have to study this. We invited them on an unofficial basis. We invited them as friends. Put simply, we are more concerned about the country's interests than is the government.

[Question] Besides the Trade Bill and Patent Act, from what was said, is the view of the Ministry of Foreign Affairs as expressed by its representatives different from the government's policy, particularly the government's policy toward Indochina?

[Answer] As for the prime minister's policy toward Indochina, if the battlefield can be transformed into a trade field, that would be fine. The leader of a country must make resolute decisions about what will and will not benefit the country. He must be clear. If they are our enemies, there won't be any problem, because our national defense is now very strong. Our military is very strong. But if they are not enemies, we must make that clear. I think that economics and politics must be kept separate. That will benefit the country.

I fully support the idea of transforming the battlefield into a trade field. That would benefit us. But at the same time, we have to be aware of the disadvantages. Today, for example, we must study the Trade Bill and Patent Act to see how they will affect us. We will have to make a decision. We can't remain in a daze.

[Question] Didn't the representatives from the Ministry of Foreign Affairs express any concern about the policy toward Indochina?

[Answer] We didn't talk too much about Indochina. We talked mostly about the United States. As for Indochina, I don't think that there will be a war. There are occasional incursions. Today, the world realizes that "war" is a terrible disease. Today, the trend is toward an end to war. In the future, there will be an economic war. Thus,

if we have trade relations, this war should not be too terrible. This is my personal view. I think that if we know each other and engage in trade with each other, the problems will resolve themselves. That is what I think, because that is what I did when I was in the government.

[Question] In the previous administration, the Ministry of Foreign Affairs took a tougher position on this. Do you think that their view has softened now?

[Answer] Perhaps I am not as concerned because I have never been on the National Security Council. They may be more concerned than me. Today, officials are not expressing any opinions. Usually, the Ministry of Foreign Affairs talks about political and economic matters. But the person who sets the policy of the Ministry of Foreign Affairs, that is, the foreign affairs minister, may feel that this or that country is an enemy.

[Question] Sitthi has remained in his position as minister of foreign affairs. But we now have a different prime minister, and he has announced a new policy. Do you think that this will lead to a conflict?

[Answer] Whether or not there are conflicts depends on the administrators and the prime minister. The prime minister is the superior of the ministers. It is up to the prime minister to formulate and implement the government's policies. The main policies formulated by the prime minister must be the government's policies. I don't agree with the view that we should not associate with countries that have a different administrative system.

**Columnist Sees Basis for U.S. Out of Philippines, Less Tension**

42070014a Bangkok *SU ANAKHOT in Thai*  
28 Sep-4 Oct 88 pp 8, 9

["Against the Tide" column by Chakkrit]

[Excerpts] The recent statement made by General Secretary Gorbachev at Krasnoyarsk has again created turmoil on the international political stage, particularly in the Asia-Pacific region. If the Soviet Union is sincere about struggling for a balance of power with the United States, the Soviet Union should strengthen its military bases in Vietnam. But because of its desire to improve its domestic political and economic structure, the Soviet Union is not ready to do this.

The seven proposals made at Krasnoyarsk aimed at bringing "peace" to the Asia-Pacific region are a repetition of proposals made 2 years previously at Vladivostok. What the Soviet Union stands to gain is:

A reduction in tension between the Soviet Union and the United States, a reduction in tension between the Soviet Union and China, and an image of "independence" between the Soviet Union and Vietnam.

As for the issue of the U.S. military bases in the Philippines, as everyone knows, the progressives in the Philippines strongly oppose the presence of these bases. And this is something that even the United States can't decide, because it is a strategic problem that concerns the security of the free-world countries in this region, particularly if the Soviet Union continues to use military bases in Vietnam. But by making this proposal, the Soviet Union has "opened a loophole" for this region that could lead to a reduction in the tension here. If the United States should have to withdraw its bases from the Philippines, it will be able to do so without any loss of face.

If the Soviet Union withdraws its bases from Vietnam, it will no longer be necessary for China to become involved with communist parties in various countries (particularly the Philippines) in an attempt to put pressure on and encircle the Soviet Union and Vietnam. If the Soviet threat from the south is reduced, China will be able to give its full attention to trade matters.

As for the Soviet Union and Vietnam, because the Soviet Union maintains military bases in Vietnam and has constantly given military aid to Vietnam, the Soviet Union has to "submit" with respect to Vietnam's military disputes with other countries. In the past situation, this was not harmful to the Soviet Union. But now that it has changed its policy, being "independent" of each other is preferable to being "tied" to each other as in the past.

As for Thailand, if the tension between the Soviet Union and China declines, we won't have to worry about the Green Star and Red Star communist parties. We will have time to develop democracy. The money now spent on fighting the communists militarily can be used for economic and political development instead.

If the military tension in this region does decline, the situation will be similar to that in Europe following the negotiations between the Soviet Union and the United States to reduce the number of intermediate-range missiles. This has led a greater willingness to compromise, and every country is now giving more attention to trade. Indochina and even Burma are suitable markets for Thai goods. [passage omitted]

As for Thailand's foreign policy in the present situation, we should study history, particularly the period of King Rama 4 and King Rama 5. During that period, we maintained an equal distance between the superpowers. That is, we maintained equal relations with the superpowers to protect the nation's highest interests. During that period in Thai history, the Thai king was able to use various resources for development.

At present, we are not maintaining an equal distance between the superpowers. This is an international political game. But will this be more beneficial to the country than the policy used in the past? [passage omitted]

### Writer Comments on Cam Ranh, Philippine Base Trade-Offs

42070017a Bangkok SIAM RAT SAPDA WICHAN in  
Thai 25 Sep-1 Oct 88 pp 23-25

["Focus on Indochina" column by Anthawibun Sisuworanan: "Statement at Krasnoyarsk: Trade-Off of the Base at Cam Ranh for the Base at Subic Bay"]

[Excerpts] Almost as if it were issuing a challenge, last week the Soviet Union suggested that the United States remove its two military bases from the Philippines as a first step toward building a zone of peace in Asia and the Pacific as we approach the next century. In return, the Soviet Union will stop using the naval base at Cam Ranh Bay in Vietnam.

On hearing about this proposal, the White House security staff just smiled cynically. But peace is something of great value to the future of the Asia-Pacific region, which is growing and expanding economically. The small countries in this region are interested in this proposal (or at least want to study the details) and so this should not be ignored.

As for the importance of the U.S. naval base at Subic Bay, which is protected by the modern fighter squadron at Clark Air Force Base in the Philippines, this base has long been the heart of U.S. defense strategy for protecting its long western coastline. The U.S. 7th Fleet, which is based at Subic Bay, is responsible for defending a broad area of the Pacific Ocean. Another mission is to block Soviet and Chinese naval power. This fleet is a powerful tool in opposing an increase in communist intervention and influence in this region. [passage omitted]

Destroying some point on this strong circle is of great strategic importance to the Soviet Union. After the face of Indochina changed in 1975, small cracks began appearing in this circle. [passage omitted]

### Imprint on the Lap

The atmosphere of peace (at the negotiating table) that has spread throughout the world during the past 2-3 years has made the small countries, which had felt secure under the shade of U.S. naval power ever since the beginning of the Cold War, start thinking about the possibility of freedom and not having to be subject to pressure because of this umbrella of protection. There are now several technical words concerning "technical security," including the words "zone of peace" and "nuclear-free zone," even though international strategy does not recognize their efficiency.

Thus, even though the statement issued at Krasnoyarsk last week is being considered with an attitude of great caution, many countries have asked that the details of this statement be studied carefully. One country is the Philippines, which is now negotiating a new lease that

will allow the United States to continue using these bases. Vietnam, of course, immediately voiced wholehearted support for the Soviet proposal.

The United States has been reading the cards of the Soviet Union ever since Gorbachev's speech at Vladivostok in July 1986. Things became clearer when Richard Armitage gave a speech to the World Affairs Council in Washington at the beginning of July 1988. Armitage said that the reason why the various factions in Asia cannot hold negotiations on regional security as was done in Europe (the Helsinki conference) is that the structure of relations between the countries in the two regions is very different.

He said that the European countries are more united and closer to each other. In comparison, the small countries in Asia are different from each other, and they have serious conflicts. He cited the border disputes and the struggle for rights to territorial waters and islands, such as the northern territory zone and the Spratly and Paracel islands in the South China Sea. For these reasons, he concluded that it would be impossible to treat the security problems in two very different regions in the same way. And that is the tactic of the Soviet Union, which wants to create a split between the United States and its allies in Asia. The goal of the Soviet Union is to weaken U.S. naval power, the most important ring of steel in the security strategy of the United States and the world.

As for this "new political beginning," the Soviet Union has nothing of any strategic importance to lose in Asia. Because in principle, the Soviet Union is an Asian land power. But this would be a great loss to the United States, which must rely on its naval power to maintain a presence off its western coast.

The United States may not be very interested in responding to the "speech at Krasnoyarsk." But for Asia and the Pacific, just an atmosphere of negotiating is something of great value. This will help the small countries that are at loggerheads over ideals, political issues, or territorial interests to open their doors to each other so that they can begin cooperating and trading with each other. This will help this region to develop economically and socially.

Thus, for Asia and the Pacific, the speech at Krasnoyarsk is like opening a door. It isn't necessary to step outside. Just opening the door has allowed sunlight into the house.

#### **Provincial Trade Pact Encourages Economic Cooperation With Laos**

*BK3011014188 Bangkok THE NATION in English  
30 Nov 88 p 2*

[Text] Udon Thani—Provincial trade negotiators and their Laotian counterparts have reached an agreement which will allow substantial economic cooperation between this northeastern province and Vientiane, officials said yesterday.

After 6 days of talks ended Monday in Vientiane, Thais and Laotians agreed to launch agricultural joint ventures involving livestock, soya beans, seaweeds and green mung beans, the officials said.

The two sides also agreed to jointly promote tourism in Vientiane and Udon Thani and to increase trade between the neighbouring towns.

The officials said a Laotian team will visit Udon Thani in the near future to inspect industrial plants and farms in the provinces and to negotiate trade deals.

Meanwhile, local officials and businessmen in Loei called on the government to open Thai-Lao checkpoints permanently to improve trade ties and curb smuggling.

Bilateral trade has been allowed on a permanent basis at checkpoints in Talee and Chiang Kan districts, while trading activity has been limited at other border posts.

Provincial officials said 83 people have been arrested since January on charges of illegal trading at border areas in Loei.

Most items that are smuggled into Laos are dried food, canned food, medicine, construction materials, bicycles, radios, and television sets.

#### **Auditors Detail State Firms' Profitability**

*42070017b Bangkok DAILY NEWS in Thai  
30 Sep 88 p 9*

[Text] Mr Suphachai Phisitwanit, the deputy director-general of the Comptroller-General's Department, said that the profitability of the state enterprises as a whole has increased. The number of enterprises suffering losses has declined. In fiscal year 1987, the enterprises earned 9,973.83 million baht for the state, which was higher than expected. In fiscal 1986, the enterprises earned only 1,505.40 million baht for the state.

The 10 most profitable state enterprises this year were: the Government Lottery Bureau of Thailand, 2,533.80 million baht; the Telephone Organization of Thailand, 1,105.30 million baht; the Tobacco Monopoly, 887 million baht; the Communications Authority of Thailand, 744.45 million baht; the Electricity Generating Authority of Thailand, or EGAT, 600 million baht; the Petroleum Authority of Thailand, 576 million baht; the Government Savings Bank, 523 million baht; the Airports Authority of Thailand, 300 million baht; the Port Authority of Thailand, 230 million baht; and the Metropolitan Electricity Authority, 157 million baht.

Mr Suphachai said that the percentage of income turned over to the state by the state enterprises ranged from 8 to 80 percent. Something worth noting is that some of the state enterprises, such as EGAT, had a high income but did not turn over much of this income to the state. This was because the state changed the policy, particularly

concerning energy, and had them reduce the percentage turned over to the state so that the three electricity generating authorities could increase investments. But in principle, the Ministry of Finance will adjust the percentage of income turned over to the state to match the corporate tax rates of companies registered on the securities exchange, that is, 30 percent.

As for those state enterprises that are still losing money, this stems in part from the fact that they are owed money by each other and by other government units. Mr Suphachai said that government units owe a total of 1,916.13 million baht to the state enterprises for public utilities and public services. The units that owe the most are the Ministry of Defense, 760 million baht, the Ministry of Interior, 680 million baht, and the Office of University Affairs, 240 million baht. Eighty percent of this debt is 1-2 month revolving debt. The other 20 percent is long-term debt. As for state enterprises that are owed money, EGAT is owed a total of 442.02 million baht; the Provincial Water Works Authority is owed 0.72 million baht, the Metropolitan Water Works Authority is owed 16.04 million baht, and the Telephone Organization is owed 97 million baht. Most of the state enterprises that have outstanding debts are subordinate to the Ministry of Communications. The Communications Authority, for example, owes 20 million baht. But most of this is revolving debt.

As for the debt owed by the public services, the government has been trying to solve this problem since the time of the previous administration. It is trying to allocate money in the 1989 budget to pay off this debt. A total of 3 billion baht has been allocated for the state enterprises to pay off this debt.

**Air Force Chief of Staff Profiled**  
42070017c Bangkok *DAILY NEWS* in Thai  
3 Oct 88 p 5

["*DAILY NEWS* Square" column by Nanthana: "A New Change at Don Muang, Phisit Appointed Chief of Staff in Place of Kan"]

[Text] Those appointed to various positions in the air force began carrying out their duties on 3 October. Of these, the new air force chief of staff is Air Chief Marshal [ACM] Phisit Sikalasin, who previously served as the deputy air force chief of staff.

This officer played a major role in ordering jet fighter aircraft and other aircraft to attack Lao forces at Ban Rom Klao in Chat Trakan District, Phitsanulok Province. During that operation, he became close to ACM Woranat Aphichari, who belonged to the same group.

ACM Phisit is from Sakon Nakhon Province. He was born on 1 August 1934. He is the son of Mr Phonlamai and Mrs Kham Sikalasin. His younger brother, Dr Songsak Sikalasin, once served as the rector of Sinakharin-thawiroth University.

ACM Phisit attended school in Kalasin Province. After completing primary school there, he entered the Somdet Chao Praya School. He loved airplanes and so he took the entrance examination to attend the Air Force Academy as a member of Class 1, the same class as ACM Kaset Rotchananin, ACM Woranat Aphichari, and ACM Wira Kitchathon. During the course of his career, he took additional flying training in the United States. He attended the Air Command and General Staff College and the National Defense College as a member of Class 27, the same class as Chalo Fuang-arom, Ari Wong-araya, and Sawat Puiphanthawong.

When F-86 aircraft were deployed here, he flew this type of aircraft. He also flew T-28 propeller aircraft, OV-10 transport aircraft, C-47 Dakota aircraft, C-123 aircraft, T-28 trainer and fighter aircraft, and, most recently, F-5 aircraft.

Important positions: He served as the director of the air force Directorate of Personnel, commandant of the Flying Training School, the assistant air force attache in the Philippines, and the commander of the 4th Wing in Takhli. During the period 1969-1970, he served as the commander of the Thai air force unit attached to the United Nations forces in Korea. In 1987 he served as deputy air force chief of staff.

When he was younger, he played rugby. Today, he exercises by playing golf.

He is married to Chirawat Sikalasin. They have two daughters. The eldest, Chirawadi, was born in 1972. The youngest, Phorani, was born in 1973.

His motto is to try and be "on top of things at all times," to try and take the middle path, and to remember those things that make you happy and forget those things that make you sad. It is thought that he will move even higher in the air force, because he will not retire until 1994.

## Policy Debates on Trade Issues Continue

**Trade Representative Idea**  
42070026 Bangkok *MATICHON* in Thai 11 Oct 88 p 5

[Excerpt] A news report from the Ministry of Foreign Affairs informed *MATICHON* that at the end of September, Mr Phong Sarasin, the deputy prime minister, sent a memorandum to Maj Gen Chatchai Chunhawan, the prime minister, opposing the establishment of the National Policy Committee on Protecting Intellectual Property, which Maj Gen Chatchai signed into being on 22 September.

Mr Phong said that he opposes this because the formation of this national-level policy committee, which will be chaired by the prime minister or a deputy prime

minister, is not in accord with the present situation. Thailand is in a defensive position on the intellectual property issue. We are under pressure to do what the developed countries want.

"By having a national-level committee, the government will have to confront this pressure directly. This will not benefit the country at all. There is already a work committee on protecting intellectual property, which is subordinate to the National Committee on UN and GATT Trade and Development, which is the responsibility of the Ministry of Commerce. The number of representatives and their powers could be increased as appropriate," stated Mr Phong's memorandum.

The news report stated that it was the advisory team to the prime minister that suggested that this committee be established. Maj Gen Chatchai appointed Mr Phong Sarasin to chair this committee. The 38 members of the committee include the ministers of the various ministries concerned, under secretaries, directors-general, government officials, and scholars. The committee is responsible for gathering, studying, and analyzing data, forming views on the intellectual property policies of other countries, particularly our important trading partners, that is, the United States, Japan, and the European Community, and comparing these to Thailand's policy, and submitting proposals on revising the laws concerned as suitable for economic and social development. The proposals must be submitted to the prime minister, who will submit them to the cabinet. [Passage omitted]

#### **Phong on Property Rights**

42070026 Bangkok MATICHON in Thai 12 Oct 88 p 5

[Text] In an interview on the morning of 11 October, Mr Phong Sarasin, the deputy prime minister, said that he has recommended to Maj Gen Chatchai Chunhawan, the prime minister, that the National Policy Committee on Protecting Intellectual Property, of which he is chairman, be abolished. He also recommended that the prime minister establish a Policy Committee on International Economic Relations. This committee would be responsible for considering various matters, including the copyright law and international trade, and would be chaired by the prime minister or one of the deputy prime ministers.

"Having a Policy Committee on International Economic Relations would be beneficial, because it would have broad responsibilities and could discuss a variety of matters. It wouldn't be necessary to establish any more committees. I don't know when the prime minister will approve establishing this committee. Consideration of the copyright law must stop until this committee is formed," said Mr Phong.

A report from the Government House said that even though Mr Phong has refused to call a meeting of the National Policy Committee on Protecting Intellectual Property, the advisory team to the prime minister is

continuing to carry on activities. For example, it is now studying a draft law on computer software. The advisory team feels that this law should be kept separate from the Copyright Act.

#### **FM on Policy Monopoly**

42070026 Bangkok MATICHON in Thai 6 Oct 88 p 5

[Text] A news source in the Government House talked with MATICHON about why the matter of establishing a Thai Trade Representative Office (TTR) had not been submitted to the cabinet on 4 October. The news source said that this wasn't done because Air Chief Marshal [ACM] Sitthi Sawetsila, the leader of the Social Action Party and minister of foreign affairs, told Mr Phong Sarasin, the deputy party leader and deputy prime minister who had been appointed chairman of the TTR Committee, or trade representative, that this matter should not yet be submitted to the cabinet because that would cause a split among the government parties. Many people think that the Social Action Party wants to control international trade policy.

The news source said that this arose because Mr Phong changed the organizational form of the TTR as originally proposed by the scholars who serve as advisors to the prime minister. These changes gave Mr Phong great power in making decisions on trade matters instead of having such matters decided by the cabinet as a whole. In effect, this gave sole power to the Social Action Party.

The news source said that according to the original plan of the advisors, the TTR was to have an Office of the Secretary General, with a director-general from the Ministry of Commerce serving as secretary general. This office was to be directly subordinate to the TTR Committee chaired by Mr Phong. Ideas or policies formulated by the committee had to be submitted to cabinet for a decision. Besides that, the Office of the Secretary General of the TTR was not responsible for negotiating with other countries. That was to continue to be the responsibility of the departments concerned. Thus, it would be easy to establish the TTR, because it would not be necessary to promulgate a law approving this.

The news source said that initially, Mr Phong agreed with this idea. But after that, ACM Sitthi expressed displeasure, because this reduced the role of the Ministry of Foreign Affairs. Thus, Mr Phong submitted the matter to a senior official of the Ministry of Foreign Affairs for consideration. Later on, the matter was resubmitted to Mr Phong, but the organizational structure of the TTR had been changed completely. Instead of having a director-general from the Ministry of Commerce serve as the secretary general of the TTR Office, this position was given to the director-general of the Economics Department of the Ministry of Foreign Affairs.

"The important thing is that this gave the TTR Committee, which is chaired by Mr Phong, or the trade representative, just as much power to negotiate, make decisions, and formulate international trade policy as the economic cabinet. Originally, they were supposed to submit matters to the cabinet," said the news source.

### **Sitthi, Phong in Dispute**

42070026 Bangkok MATICHON in Thai  
7 Oct 88 pp 1, 24

[Excerpt] [Passage omitted] A senior news source in the Ministry of Foreign Affairs talked about the problems encountered in establishing the Thai Trade Representative Office (TTR). It has not been possible to establish this office because of the problems concerning power and responsibilities. As MATICHON has reported, the real cause of the problem is that after Mr Phong Sarasin, the deputy prime minister and deputy leader of the Social Action Party, asked Mrs Lakkhana Chanthon, the deputy director-general of the Economics Department, Ministry of Foreign Affairs, to consider the proposal of the prime minister's advisors concerning establishing the TTR, Mrs Lakkhana made changes and proposed a new organizational structure for the TTR. She also proposed changing the name to the "Policy Committee on International Economic Relations" (PCIER).

"Mr Phong submitted a draft regulation on stipulating policies on international economic relations for the signature of the prime minister. This draft regulation stipulated the responsibilities of the PCIER, which is chaired by Mr Phong. But Maj Gen Chatchai refused to sign the regulation, because he was afraid that this would cause a split between the government parties. This is because the PCIER would have broad powers, including the power to make decisions, take action, and formulate plans concerning international economic relations in place of the cabinet. The Ministry of Foreign Affairs would be in a position to control the other ministries concerned. Also, Maj Gen Chatchai's advisors advised him against this and so the entire matter came to a halt," said the news source in the Ministry of Foreign Affairs.

The news source said that regarding the proposal made by Mr Phong, ACM Sitthi Sawetsila knew about and approved of this. That would have greatly increased the role of the Ministry of Foreign Affairs. Mr Phong's proposal was as follows:

1. Establish a Policy Committee on International Economic Relations to formulate international economic and trade policies at the bilateral, multilateral, and regional levels and to formulate methods, plans, lines, positions, and measures in carrying on international economic and trade negotiations. This committee will also be a center for coordinating things with both public and private sector units, organizations, and committees in carrying on international economic and trade negotiations.

2. Establish six subcommittees to consider policies and actions: the Subcommittee on Economic and Trade Relations Between Thailand and the United States, the Subcommittee To Improve the Structure of Economic Relations Between Thailand and Japan, the Subcommittee on Economic and Trade Relations Between Thailand and the European Community, the Subcommittee on UN and GATT Conferences on Trade and Development, the Subcommittee To Coordinate ASEAN Trade Policies, and the Subcommittee on Economic and Trade Relations Between Thailand and Other Countries.

3. The PCIER will appoint negotiators or negotiating teams from the various subcommittees.

Besides this, the advisors to the prime minister proposed that the director-general of the Department of Business Economics, Ministry of Commerce, serve as secretary of the PCIER. But Mr Phong proposed that there be two secretaries. He proposed that the director-general of the Economics Department, Ministry of Foreign Affairs, serve as the secretary for administrative affairs and that the director-general of the Department of Business Economics serve as the secretary for technical affairs. He also proposed that the Economics Department serve as the Office of the Secretary General of the PCIER. It would be responsible for organizing conferences, coordinating things with the units concerned, and carrying out other administrative tasks as stipulated by the PCIER. In effect, responsibility for conducting trade negotiations would have been transferred from the Ministry of Commerce to the Ministry of Foreign Affairs even though this is not the duty of the Ministry of Foreign Affairs.

The news source said that analyzing paragraphs 6-9 of the draft regulation submitted to the prime minister by Mr Phong, it can be seen that the PCIER would in effect be "seizing power" from the cabinet, because it would replace the cabinet in handling international economic matters. And it would have greater power than the economic cabinet, which has the power to make decisions on economic policy but which cannot actually take action.

Besides this, it would have the power to establish subcommittees to consider matters or take action. It could also appoint international trade representatives or negotiators.

"Giving the PCIER the power to supervise the units concerned would create a great problem. Mr Phong, who is a member of the Social Action Party, would have the power to give orders to other economic ministries such as the Ministry of Industry, the Ministry of Finance, and the Ministry of Agriculture, which are headed by people from the Thai Nation and Democrat parties. The Social Action Party would have greater power than the other parties," said the news source.



Based on the proposal made by the prime minister's advisors, the International Trade Policy Committee would have an International Trade Representative Office, which would serve as the Office of the Secretary. It would be responsible for considering international trade policies. But the policies would have to be submitted for consideration and approval. Unlike the PCIER, it would not have the power to take action or make decisions.

### **Government, Academic Opinion Leaders Comment on Copyright**

42070014b Bangkok LAK THAI in Thai  
6 Oct 88 pp 22, 23

[Excerpts] "If the results of the negotiations are unfavorable to the country and people, we will do our utmost to oppose this," said Mr Anuson Thamchai, the president of the Chulalongkorn University Student Body Administrative Organization, on 22 September. He was addressing this remark to the committee that is considering revising the Copyright Act, which is chaired by Mr Phong Sarasin, the deputy prime minister, who is a member of the Social Action Party. [passage omitted]

Mr Likhit Hongladarom, the deputy spokesman attached to the Office of the Prime Minister, said that during the meeting, Mr C. William Verity did not use the word "copyright." Instead, he used the words "intellectual property," which covers trademarks and computer software. But he did not say whether this matter is tied to granting GSP rights to Thailand.

"The prime minister told him that we have established a work committee to study this matter and submit the matter to parliament at the proper time," said Mr Likhit.

However, many ideas were presented at both the meeting of the economic cabinet that day and at the meeting of the full cabinet the next day. This was because the copyright issue was the issue that caused parliament to be dissolved during the previous administration.

A news source in the Democrat Party said that the party's attitude toward promulgating this law is that we should try to use political tactics and look at the way things are moving. We should not be in any rush to promulgate this law. The personal advisors to Maj Gen Chatchai, who are university scholars, feel quite strongly that Thailand should not promulgate laws because of U.S. pressure.

"I am not in favor of promulgating this law. The United States has already implemented measures that can be used against Thailand. U.S. law stipulates that retaliatory measures must be taken against any country that does not treat the United States fairly. As for the GSP, the United States has already made preparations to cut Thailand's GSP rights by 50 percent regardless of whether we promulgate the Copyright Act or not," said Mr Phonthep Techaphaibun, the deputy spokesman attached to the Office of the Prime Minister, who is a

member of the Democrat Party. This is an indication of the Democrat Party's attitude on this issue.

Another news source told LAK THAI that besides the Democrat Party, other government parties, that is, the Thai Nation and Ratsadon parties, have expressed opposition to promulgating the copyright law. The one exception is the Social Action Party, which has not expressed an opinion on this matter. That is because during the time of the previous administration, Air Chief Marshal Sitthi Sawetsila, the party leader, who is the minister of foreign affairs, promised the United States that Thailand would promulgate this law.

"Because the government parties do not all agree on this issue, the prime minister has told the cabinet that he wants to study this matter carefully. Because if there is a lack of unity among the government parties, it might become necessary to dissolve parliament just as happened during the previous administration," said the news source.

Mr Phong, who was appointed chairman of the committee to consider the copyright issue, said that the government must explain to the people the advantages and disadvantages of this draft act. Because at present, only four or five people really understand this.

The deputy prime minister, who is a member of the Social Action Party, said that no one is putting pressure on anyone to promulgate a copyright law. The United States and Thailand are good friends who rely on each other. Thailand must be willing to give as well as get. We can't expect to get everything. As for the GSP, which the United States will consider on 15 December, it is thought that they will continue to give GSP rights to Thailand, because we are good friends.

"No one has put any pressure on me. Why would anyone have to do that? Why do we have to worry about them putting pressure on us? Why don't we put pressure on them? All we do is talk about our being pressured. I like to pressure people, too," said Maj Gen Chatchai when a reporter asked if we are considering promulgating a copyright law in response to pressure from the United States.

The committee of Mr Phong is considering this matter amidst opposition from all directions, including both government and opposition parties. There is also opposition from power groups outside parliament spearheaded by students from the Chulalongkorn Student Body Administrative Organization [CSAO].

As for why it opposes the promulgation of this Copyright Act, the CSAO has explained that it opposes this because it feels that this will greatly damage the interests of the country. For example, this will prevent us from becoming a newly industrialized country (NIC) and affect our economic system and the people's ability to earn a living.

Besides this, the CSAO feels that the GSP rights, which the United States are using to threaten Thailand, are just

temporary rights. They are not guaranteed in any way. It is not worth accepting the GSP rights in exchange for revising the Copyright Act.

"Actually, there is no need for Thailand to revise the Copyright Act, because the United States will soon become a member of the Berne Convention. After it has become a member, it will receive the same copyright protection from us as do other countries. The United States is using this issue as a cover in order to get us to protect their computer software," stated one part of the explanation given by the CSAO.

The news source said that in view of the opposition expressed by groups both in and out of parliament, even

though Maj Gen Chatchai once said that a draft act to revise the copyright law would be submitted to parliament before December, or before the American president reviewed the GSP rights, he will probably be unable to do this before the present session of parliament closes. And the next session of parliament will not convene until 1 May 1989.

"The government's position has changed. It is different from that of the previous administration," said Mr Likhit. The government has not yet decided what attitude to adopt concerning drafting a Copyright Act. But what is fairly clear is that the decision of this administration will definitely be different from that of the previous administration. We will have to wait and see.

## POLITICAL

### **Urgent Popular Demand for Democracy Noted** *42090051 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 Oct 88 p 2*

[Article by Huy Mien: "Democracy, Urgent Demand of the Masses"]

[Text] Nearly 100 cadres—those representing precinct and district party, administration and the Fatherland leading echelons, those from municipal mass organizations, committees and sectors, and senior municipal cadres—took part in a seminar on "Using People as a Basis" held by the Mass Agitation Committee of the CPV Municipal Committee on 6 October.

In her opening address, Nguyen Thi Thanh, vice chairman of the mass agitation committee, stated that in past years people have witnessed discrepancies between words and deeds, the most typical examples of which were the currency change in September 1985, the sudden 100-percent increase in gasoline prices in August and the continued practice of state organs of raising prices in spite of official resolutions to the contrary. This caused a decline in popular trust, making it difficult to mobilize the masses. It is now imperative to recreate that trust by concrete acts, and not by empty rhetoric. Colonel General Tran Van Tra urged the audience to look straight at the truth, publicly exposing mistakes and stressing accountability.

So far, only cadres working the Front and mass organizations have "complained" about flawed party leadership over their organizations and about the failure of mass organizations to do their jobs. At the seminar, Nguyen Con Trung, secretary of the Binh Thanh district party committee, acknowledged that the party has not really given proper attention to mass agitation, failing instead to see the Front and mass organizations as a prop, even—as some localities did—considering this an optional factor. In the use of cadres, there has been a widespread tendency to assign first-rate cadres to government posts while dumping the Front and mass organizations with morally-decayed and weak personnel. These reasons did push mass organizations into gradual decline or into bureaucratization—as we now see. As a result, the party remained away from the masses with incorrect policies and lines, for instance, those in the area of taxation, irrational agricultural reforms and a closed-door information policy which triggered popular resentment. Recently, people at some places have taken advantage of party resolutions to fight for changes, justice and democracy—a healthy and legally-based phenomenon, as Nguyen Chon Trung put it.

Expanding on that theme, Nguyen Thanh Tho, vice chairman of the Association of Vietnamese Peasants, said that in recent years many peasants have been detained for struggling against irregularities in agricultural management. Since the CPV has insisted on "Using

People as a Basis," it is imperative for it to mindfully and radically solve serious contradictions in the countryside. Tho urged an end to the longstanding practice of forcing government personnel on the association at local and even central levels. In fact, seeing themselves as government personnel, association cadres at only a very few places have stood up for the peasants' interests.

Tran Bach Dang said that to implement the motto "Using People as a Basis" amounts, in essence, to implementing democracy. Party leadership is just an aspect of the problem. Other remaining aspects, he added, are the right of the state—which is elected by the masses—to social management and the right of the masses to ownership through that management. That ownership is multiform.

Concerning the right to information—one of many democratic rights—he condemned the evil practice of concealing the truth, as illustrated by remaining silent on our country's ranking in terms of national income—201st among 203 nations in the world, even behind our neighbors. According to reason, what should be done is to dissect the causes and motivate people to be proud and use their wits rather than generating vainglory, assuagement and abdication—an extremely dangerous approach. In the same vein, some speakers claimed that many of our leaders still believe that "saying the truth would help the enemy to distort..." Prof Tran Van Giau contended that what we consider secret and want deliberately to conceal is already known to the world. He learned about the recent famine in the northern provinces from a French newspaper sent over to him by a friend in Paris. Or about our plane crash in Thailand, a complete and detailed report of which was published by a Thai newspaper brought home by an overseas compatriot—an information which SAIGON GIAI PHONG strived to put together for reprint a few days later. In his opinion, a single daily newspaper is unable to cater to a populous municipality such as Ho Chi Minh City, allowing people to read only what it is allowed to print. To develop democracy, we must change information concepts and methods. Emphasizing responsibilities, Prof Tran Van Giau asked: "Is it true that people query just for the sake of querying? Is it true that our leaders are not accustomed to answering question? And is it true that the Vietnamese dictionary no longer carries the work 'resignation'?"

Recapitulating the seminar, Pham Chanh Truc, chairman of the Mass Agitation Committee of the CPV Municipal Committee, stated: "Along with other problems concerning everyday life, democracy is an urgent demand of the masses, still unmet by the party and state."

Likewise, mass organizations have not yet become a true representative and prop for the masses and their activities have not originated from the need to protect people's legitimate interests, explaining why they have failed to enlist mass support. Pham Chanh Truc also agreed with

other speakers that party leadership was one of many causes crying out for review. He announced that ideas collected at the seminar would be presented to an upcoming conference to recapitulate the mass agitation campaign.

#### **HCM City Fatherland Front Committee Plans Last-Quarter Work**

*42090057a Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Oct 88 p 1*

[Article by H.M.: "Municipal Fatherland Front Committee Sets Forth Work Program To Concentrate on Current Urgent Problems of Municipality"]

[Text] Yesterday, 22 October 1988, the Municipal Fatherland Front Committee met in its second session to discuss and draft a work program for the last 3 months of this year. A total of 135 committee members took part in the meeting and expressed many ideas about many urgent problems and the task of the Fatherland Front in connection with such problems.

Many members believed that there had been no positive changes in the work of the front and proposed that the Standing Committee of the Municipal Fatherland Front Committee make greater efforts. Others requested that the meeting include in the work program these matters: continuing the campaign aimed at achieving democratization; continuing to propose revision of state tax policies; taking part in resolving land disputes in the municipality's rural areas; fighting for an end to deliberate deprivation of information; extending realistic assistance to nearly 1,000 farmer households now starving in Duyen Hai, and so on. Still others proposed that the municipality's delegation to the forthcoming 3rd Vietnam Fatherland Front Congress bring these problems to the attention of the congress.

The session unanimously decided to include the above-mentioned problems in the work program. As the work it must do immediately, the committee will continue to organize public discussions on democratization (mainly to concentrate on collecting broad opinions on the proposed revision and enlargement of the law regulating the elections of the National Assembly and people's councils and the law on organizing the people's councils and committees of all levels) and on the policies toward intellectuals and taxes. The Municipal Fatherland Front Committee will also coordinate its work with the law enforcement organs to examine the problem of false and wrong arrests, illegal detention, and intervention in order to resolve such cases before the coming Tet [lunar New Year].

The session assigned nine work groups to keep track of the fulfillment of the above-mentioned tasks. It also nominated 12 people as delegates to attend the forthcoming Vietnam Fatherland Front Congress to be held in Hanoi on 2, 3, and 4 November.

#### **Trade Union Congress Reflects Renovation and Democracy**

*42090057b Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Oct 88 pp 1, 2*

[Article by Q.V.: "Dialogue at the 6th Vietnam Trade Union Congress: A Lively Sign of Renovation and Democracy"]

[Text] The 6th Vietnam Trade Union Congress, which met from 17 to 20 October 1988 in Hanoi, was recorded as "a sign of renovation and democracy." An atmosphere of hot dialogue, debate, and questioning prevailed in the two days of discussions at the congress. Many delegates from local trade union organizations and occupations openly and frankly assessed our country's current socio-economic situation and raised questions for the Council of Ministers to answer; other delegates actively proposed the measures to be taken to overcome difficulties in a number of socio-economic fields.

#### **Renovation Being Not Guaranteed!**

The Commercial Sector Trade Union delegate, Pham Ben, raised some questions: "We are encouraging dynamic directors and trade unions to proceed with renovation. What is the guarantee for renovation? There have been cases in which dynamic directors were put in jail while their plans were being drafted. I propose that the state set rules for the renovating task. At this congress, what do we think about the farmer class presently having hundreds of thousands of tons of farm products that cannot be sold because the commercial sector does not have money to buy them? I think that to fight inflation does not mean to close the state treasury. In this situation, the commercial sector has so frequently raised the question to the Council of Ministers, but things have remained unsolved or have been resolved in a reluctant manner."

#### **Don't Use the 'Collective' Screen To Hide Individual Responsibility**

Le Quang, the Forestry Sector Trade Union delegate, believed that it was correct but not enough to mention the three reasons, as the report pointed out, for the worsening socio-economic situation of the last 2 years. This report pointed out that many policies had been wrong and that some committees and sectors had made mistakes. But it mentioned no addresses. He asked, "Is it true that the Council of Ministers, ministers, and organs are making policies? We are accepting something strange. Everybody has authority; every level has authority. But when difficulties occur, the fact that shortcomings are blamed on the 'collective' just provides a screen that hides the individuals who actually must be held responsible."

#### **Too Late Decision of State To Be Involved in Life**

Doan Manh Phu, secretary of the Educational Sector Trade Union, had this to say: "We are witnessing a

tragedy in terms of educational quality brought about by the tragedy in the life of teachers. Therefore, we think that to restore the position of teachers in society cannot be done by a general concern but by a policy system involving heavy industry and aimed at training men. The Council of Ministers has made a decision to gradually improve teachers' standard of living. It is regrettable that the decisions to be involved in life are rather late. I propose that the Council of Ministers control and supervise all echelons, sectors, and localities."

#### **Don't Sit in Hanoi and Dictate Minority Policies for the Highlands**

Other opinions that raised the questions asked by the workers, trade unions, and minority people in the northern areas and the Central Highlands drew the attention of delegates.

About the cadres assigned to work in the highlands and the policy adopted for the border highland region, Then Sao Tin, secretary of the Xin Man District (Ha Tuyen Province) Trade Union, told the congress as follows: "In 1984, the Council of Ministers issued Decision No 2 to allow minority people to enter on a first-priority basis colleges, vocational middle schools, and worker training schools. But that decision has not been carried out yet, nor has there been any document revising it or providing implementation guidance. If this situation continues, it will lead to a situation in which the highlands will have no locally-trained cadres. Xin Man District and other highland districts do not have any general middle schools yet. Highland cadres are reluctant to go to school. Recently one of them was selected to go to a school in Hanoi. In the letter of notification, the items that would need payment amounted to 150,000 dong, the equivalent of a year's salary. He refused to go and said that he would accept any disciplinary action for that." Then Sao Tin proposed that implementation of the party policies for the highlands be properly organized and that people stop sitting in Hanoi and dictating minority policies for the highlands.

#### **Unexpected Discussion**

After Then Sao Tin had addressed the congress, the director general of Dac Lac Union of Rubber Enterprises spoke. He said at the end of his speech, "The minority people in the Central Highlands were happy as they volunteered to work as state farm workers." Suddenly a girl of dark complexion dressed as a Central Highland minority person, Miss Nay Hoa of the E-de group, a member of the Dac Lac delegation, took the microphone and stood up to speak, in spite of the fact that she had not registered her name beforehand: "Let me truthfully tell the congress this, which is not what my director general has just told you. Since the day of liberation, the standard of living of our people has been improved too slowly. The City of Buon Ma Thuot now is full of ethnic Vietnamese, and our people have gone more deeply into forests. The more capable people are doing other work,

but those whose capabilities are poor are put to work in the trade union, which explains why the trade union can never be strong. The director of my state rubber plantation does not like to employ people of good educational background to do accounting, financial, and statistical work, but instead he employs ignorant people so as to easily order them to do things." The audience applauded to express appreciation of Miss Nay Hoa's bold and frank comment.

#### **Are Intellectuals, Artists in the "Administrative, State Subsidies" Category?**

Biology Professor Nguyen Lan Dung, a Hanoi delegate, believed that one way to escape our present difficulties is to develop to the highest degree the gray matter of Vietnamese intellectuals as a whole. "Don't put teachers, physicians, scientists, and artists in the 'administrative, state subsidies' category," he said, "because they all are working in highly-skilled professions and regularly creating products for society. The budget invested in science should not be too small to be ever openly announced by the state. We should give large prizes to any individuals or groups of science cadres who have successfully resolved significant socio-economic problems for the country."

#### **Why Renovation Still Remains a Sign?**

Professor Van Nhu Cuong of Hanoi Teachers College I had this to say: "The working people have been recognized as the masters of the country and now they receive another title, the 'roots' of society. They are given great rights, 'The people know, discuss, do, and control.' Is this the sign of renovation? Yes, that is true, but so far we only have signs." He then proposed the following: "We must set up in our country a poll institute and regularly organize referendums. Only then can we really expand information dissemination, in many dimensions and with equality. The state will no longer be a black tightly closed box but will become a transparent crystal one."

Pham Van Thanh of Minh Hai Province proposed a concentration of capable cadres in trade unions. The Confederation of Trade Unions must truly find out the reasons for the cumbersome and bureaucratic character of the trade union system, which in his opinion slows down the renovating efforts—a situation that we must concentrate our energy on improving.

#### **If Democracy Is Not Broadened, Our Strength Cannot Be Developed**

Council of Ministers Chairman Do Muoi, after having spent a few days attentively listening to the opinions of congress delegates, spent 2 hours to speak to them and to respond to their opinions. He openly and frankly talked about the state of the country's economy. He said, "To fail to take care of the life of workers and civil servants is the fault of the Council of Ministers. I accept the responsibility for this shortcoming in front of you."

He highly evaluated the revolutionary spirit of workers and laborers, who have been bearing hardships and striving to do productive work in the present situation, and pointed to the difficulties and lack of balance which the state is facing in many fields. He said that he would make public statistics and open reports to the people to let them know our foreign debts, the reasons for such debts, and what imports we have used foreign currencies for. About the question of democracy Do Muoi emphasized: "Achieving democracy in the economy, the party and the state have adopted resolutions and decisions in regard to industry, agriculture, and the economic components outside of the state-operated sector, and they are bringing about good effects. But we must carefully discuss democratic centralism based on the mechanism of the party assuming the leadership, the state taking care of management, and the people being the masters, and clearly define the boundaries and scope of democracy, for without broadening democracy, we cannot develop the people's strength."

About the coordination between the Council of Ministers and the Confederation of Trade Unions, which recently was not very close, he told the congress delegates that the Council of Ministers would in the near future coordinate its work with the confederation in drafting and promulgating the council's decisions and ensure the institutionalization of trade union activities.

The conference hall echoed the sound of a long applause when the Council of Ministers chairman ended his speech.

The atmosphere of dialogue at the 6th Vietnam Trade Union Congress reflected the sense of responsibility that the delegates had been expressing toward the country's destiny and characterized the congress as a historic one, the most renovated congress the Vietnam Confederation of Trade Unions has ever held.

#### **Do Muoi Addresses Teachers Meeting**

*BK2211031388 Hanoi Domestic Service in Vietnamese  
2300 GMT 19 Nov 88*

[Address by SRV Premier Do Muoi to an awards ceremony to honor teachers, in Hanoi, 19 November—recorded]

[Text] Dear comrades: On behalf of the Council of Ministers I warmly congratulate you and through you, all the 172 comrades who were recently awarded the titles of "People's Teacher" and "Emeritus Teacher" by the state. This is the first time our state has conferred these noble titles on teachers who most outstandingly symbolize our people's education by their great contributions. Our people, party, and state highly value the merits of Vietnamese teachers of various generations who have consistently cooperated with the people in the struggle to endure sacrifices and overcome various dangers and hardships in order to build and develop the people's education system. They have formed generations of

youths and teenagers of the Vietnamese nation to effectively serve the revolutionary tasks of our party and people for nearly half a century.

By awarding the titles of "People's Teacher" and "Emeritus Teacher" to teachers on the occasion of Vietnam Teachers' Day on 20 November, our party, state, and people have preserved and developed the ethical traditions and principles of our nation, and have expressed gratitude and commendation to the whole contingent of 800,000 teachers of both sexes who are working in the educational sectors of general, supplementary, professional, vocational, and middle schools, university and higher education. They are those who have overcome and are overcoming basically the difficulties and hardships to actively implement the renovation line set forth by the sixth party congress, care for and educate the youth, build and develop education, and immediately enhance the quality of education. It is the duty of the entire society—all forces, schools, families, mass organizations, and the entire people—not to let education decline further.

If we want to succeed in resolving the currently very acute and complicated economic problems we must simultaneously pay utmost attention to the importance of social tasks—primarily education and public health. The driving force that decides the development of the country is our personnel. The policy on personnel and education holds a central position in the socioeconomic strategy. To serve mankind and build a new society are the main objectives of economic development.

The Council of Ministers is pleased to see that in the recent past, nearly all teachers have exerted much effort to overcome difficulties in holding fast to their schools and classes, and in maintaining, consolidating, and developing education depending on the demands and capabilities of localities. Many heroic education units and outstanding frontline schools have firmly maintained their leading role, and served as a core in the Two Goods emulation movement. Many new models of educational development have appeared and have helped check the decline of educational quality and have helped organize the teaching discipline and learning.

The Council of Ministers and the people's committees at all levels have recently committed many shortcomings in caring for education, have neglected investment in education, and have failed to promptly overcome the viewpoint of subsidization in developing education and to take effective measures to care for the livelihood and teaching conditions for teachers of all schooling sectors. There still are many shortcomings in educational management. This is mainly why teachers have encountered many difficulties in their everyday life, and why the teaching of children in class rooms and out of schools as well has declined. The quality of education in general is far behind the educational objectives and expectations of society.

The Council of Ministers and the people's committees at all levels must in the future pay even more attention to education, gradually promulgate various policies and systems to remedy these shortcomings, implement the guidelines for the state and people to cooperate in caring for youth, and for the central and local governments to develop education. We must increase investment in education, pay attention to teachers' living conditions, create more learning conditions for children, strive to implement the policy for proper schools and proper classrooms, and for good teaching and good learning.

The Council of Ministers expects all educational sectors and teachers throughout the country to surge forward and be abreast of their duties, actively implement policies, review their experiences in reforming education, adjust educational reform, and enhance the quality of educational reform. The first thing to do in adjusting educational reform is to steadily resolve the problems of grade 1 of level one, concentrate on achieving by all means the objectives of the anti-illiteracy campaign and of level one general schools countrywide in order to advance to level two general schools in those areas requiring such level schools and having such capacity, and to develop level three schools with a view to supporting the training of technical workers and cadres for various sectors, especially economic and state management cadres.

While generalizing education, we must emphasize the training of many excellent students and talented people for the country. In general schools, students must be taught basic scientific knowledge, working ability, general technology, and vocational subject matters, and at the end of level two school and in grade 3, vocational training must be conducted. We must combine the universalization of general education with the generalization of vocational training so that all youths can receive vocational training when entering working life.

The educational system must be diversified and flexible. Along with the conventional system, we should expand the unconventional one in order to maintain and develop all branches of schooling from kindergarten to university and higher.

All educational sectors must promptly adjust the contents and methods of teaching and learning, and quickly bring computer science and bio-technology into schools. Teachers must guarantee to teach the prescribed number hours and to maintain the quality of their teaching. Only by doing so, can we meet the country's demands and the people's expectations, and develop from among younger generations those people who have socialist ethics, culture, intellect, scientific and technical knowledge, good health, and skills, and know how to live and work according to law; those dynamic and creative people who possess the will and energy to overcome difficulties, defeat poverty, and advance the country up to the standard of the day.

On the occasion of Vietnam's Teacher Day and of my meeting with the teachers of the people and emeriti, I would like to stress particularly the basic and advanced training, and employment of teachers and teaching cadres. We all know that the quality of education depends on the quality of the basic and advanced training of teachers and on the policy of employing teachers and teaching cadres.

Recently, we have failed to pay proper attention to normal school reform. Henceforth, the Council of Ministers, the people's committees at all levels, and the educational sectors must overcome this shortcoming. Normal school reform must be carried out a step ahead of educational reform in general. Our state and the entire society must care for the social position of teachers, and create necessary conditions for teachers to ensure the quality of teaching and educating of our children.

Educational management echelons from the ministry down to schools must better carry out the democratization of schools and enable teachers and students and the entire society to develop all potentials positively and creatively, and actively carry out educational activities in schools and out of schools. Teachers of the people and emeriti, the emulation fighters, schools, heroic educational units, and advanced schools must always take the lead and serve as a core in developing education in accordance with the objectives set forth by the sixth party congress.

Educational sectors and teachers should learn from the valuable experiences of the people's and emeritus teachers, and the models of building and developing education in order to surge forward and firmly preserve the revolutionary qualities and ethics, improve and enhance their teaching and researching talents, and protect and enhance the social concept of teachers and the education sector.

I wish you, comrades, good health and success in your educational tasks.

**Text of Government Labor Duty Regulations**  
*BK2511102588 Hanoi Domestic Service in Vietnamese*  
0500 GMT 22 Nov 88

["Text" of regulations on labor duty for public welfare which was promulgated on 21 Nov 1988 by an order of the chairman of the Council of State]

#### [Text] CHAPTER I: Generalities

Article 1. Citizens' labor duty for public welfare which is stipulated in these regulations consists of annual labor duty for public welfare and labor duty in emergency cases.

Article 2. The mobilization of citizens to perform labor duty for public welfare is decided by authorized state agencies in accordance with prescribed plans and goals to ensure justice, economy, and practical results.

Article 3. State agencies, mass and social organizations, primary units, and families within the limits of their functions and responsibilities, are dutybound to motivate, educate, supervise, and create conditions for citizens to perform their labor duty for public welfare.

## CHAPTER II: Annual Labor Duty for Public Welfare

Article 4. Citizens fit for labor—males from 18 to 45 and females from 18 to 25 years of age—are dutybound to participate in annual labor duty for public welfare.

Article 5. Each citizen must perform their annual labor duty for not more than 10 days, including travel days to and from the labor sites.

Article 6. The number of annual labor duty days which are spent in building and maintaining dikes, protective walls, sluices, watershed conservancy projects, and communication roads, and in supporting combat readiness are entered in the plans of central, provincial, city, and special zone levels—under direct central government control—and are administered by the state.

Article 7. Those who personally perform labor duty for public welfare must fulfill their assigned amount of work. Depending on the nature of the work, these persons must be clearly notified of the requirements so that they can bring along proper tools, and other personal effects for their everyday life.

Article 8. Those who personally perform annual labor duty for public welfare are remunerated according to their labor norms, and are insured by the various labor and health security systems for receiving medical treatment and care in case of illness or labor accidents while they are participating in labor duty for public welfare as stipulated by the Council of Ministers.

Article 9. If those who are mobilized to participate in annual labor duty for public welfare cannot personally engage in the labor, they may hire others to work in their place. If nobody can be hired, they must deliver to the mobilizing agencies a sum of money sufficient to pay for 10 general man-days of labor in localities.

Article 10. The following people are exempted from performing annual labor duty for public welfare:

- a. Soldiers, including National Defense workers and the People's Public Security Force members;
- b. Sick and wounded soldiers;
- c. Surviving fathers, wives, and husbands of fallen heroes;
- d. Those holding professional religious positions;
- e. Disabled people and those who have lost their physical health.

Article 11. The following people are temporarily exempted from performing labor duty for public welfare when an order to mobilize labor for public welfare is issued each year:

- a. Sick persons who are receiving medical care;
- b. Women who are pregnant or nourishing infants under 36 months of age;
- c. Persons who are directly serving seriously sick and wounded soldiers—victims of labor, war, and occupational accidents are classified as seriously wounded persons;
- d. Breadwinners in families whose other members have no strength to work or have not reached working age and have no support at all;
- e. Soldiers who have completed their military obligations and have been discharged for less than 3 years;
- f. Those who have gone to work in new economic zones and have been there for less than 3 years.

Article 12. Reserve troops, militia, and self-defense forces' members who are assuming the duties of control, combat preparedness, standby for combat, or tracking and arresting enemy commandos and spies, are subject to fewer days of annual labor duty for public welfare.

Article 13. The State Planning Commission unifies the management and balancing of funds for annual labor duty for public welfare countrywide.

Article 14. The Ministry of Labor and War Invalids controls the performance of annual labor duty for public welfare to ensure results in the organization, mobilization, management, and employment of laborers for public welfare, and the implementation of the system for those participants in labor for public welfare countrywide.

Article 15. The people's committees of provinces, cities, and equivalent administrative units are responsible for providing guidance for the implementation and administration of funds for labor duty for public welfare in their localities; for considering and reviewing plans; for ensuring the fulfillment of requirements for annual laborers of central and local sectors; and for guiding and controlling the proper mobilization and employment of laborers for public welfare toward the prescribed goals and with good results, and the implementation of policies toward the participants in labor for public welfare.

Article 16. Units employing laborers for public welfare are responsible for establishing plans and preparing necessary conditions, organizing strictly and fruitfully the management and employment of laborers, and correctly implementing policies toward participants in labor for public welfare.



### CHAPTER III: Labor Duty for Public Welfare in Emergency Cases

Article 17. Emergency cases in which laborers for public welfare can be mobilized include such unexpected circumstances as typhoons, flashfloods, fires, earthquakes, epidemics, and enemy threats which cause heavy losses. In these emergency cases, all citizens fit for labor are duty-bound to participate in labor for public welfare in order to promptly check and overcome initial losses. The mobilization of laborers for public welfare in emergency cases is decided by the chairmen of the people's committees.

Article 18. When mobilizing laborers for public welfare in emergency cases, the mobilizing agencies are authorized to commandeer tools and necessary facilities of state agencies and mass and social organizations, and citizens in order to fulfill pressing tasks.

Article 19. In emergency cases, the mobilizing agencies are authorized to use forcible measures toward those who do not comply with the mobilization order, so as to ensure timely checking and overcoming losses caused by natural disasters and enemy threat.

Article 20. The time for mobilizing laborers for public welfare in emergency cases, the policies toward participants in labor, and the indemnification for losses resulting from commandeered tools and facilities are stipulated by the Council of Ministers.

### CHAPTER IV: Commendation, Reward, and Punishment

Article 21. Localities, agencies, organizations, units and individuals with many achievements in the administration, use, and implementation of labor duty for public welfare will be commended and rewarded by the state morally and materially depending on the extent of their achievements.

Article 22. Those who encroach on the stipulations of labor duty for public welfare will be disciplined, administratively punished, or investigated for criminal liability. If they cause losses, they must pay indemnities in accordance with the system for material responsibility.

Article 23. Citizens have the right to complain and denounce individuals or organizations who have violated the policy of labor duty for public welfare to the administration agencies at all levels as stipulated by law.

### CHAPTER V: Final Provisions

Article 24. This is to abrogate decree No. 77-CP dated 26 April 1966 which promulgated temporary regulations on mobilizing and employing war time corvée labor; decree No. 232-CP dated 24 November 1965 on the system for urgently mobilizing local manpower and materials;

decree No. 135-CP dated 5 August 1969 on the mobilization, organization, and employment of labor duty; and other stipulations which conflict with these regulations.

### NHAN DAN Views Organization of Local Party Congresses

*BK2811132588 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Nov 88*

[Editorial: "Satisfactorily Organize Party Organization Congresses at the Level Directly Above the Grass Roots"]

[Text] To date, 15 districts and precincts of all the provinces and municipalities throughout the country have held party organization congresses. Like party congresses at any other level, party organization congresses at the level directly above the grass roots must also reflect the renovative spirit of the Sixth Party Congress Resolution.

The primary requirement of these congresses is that they must look squarely at the truth and correctly assess the real situation of the party organizations concerned in their last term of office by seriously making self-criticism and criticism from the district and precinct party committee level down to the grass roots. They must correctly and deeply dissect the chief cause of their achievements, strong points, shortcomings, and mistakes in organizing the guidance of practical work; especially the work of district, precinct, and city party committees in the fields of socioeconomy, ideology, organization, and cadre training, and in the consolidation of national security and defense.

The personnel work of these congresses must also reflect the spirit of renovation, democracy, and openness. The executive committees of party organizations at the district and corresponding levels must include outstanding cadres of the party organizations concerned who have good revolutionary qualities and virtues; show ardor for the renovation process; and possess the necessary knowledge and ability to contribute to the party committees' leadership and guidance and to assume the tasks assigned to them. These cadres must also be capable of uniting cadres, party members, and the people; have a democratic work style; respect the views of the collective; be willing to listen to the masses; dare to make decisions; and have the trust of cadres, party members, and the people. Fulfilling these standards is a vital factor in overcoming the past erroneous and rigid concept of the executive committee structure which led to constriction and imposition in recommending and selecting cadres. However, it is also necessary to attach importance to recommending for party committee membership those young cadres who fully meet the standards of quality and capability for renovation work within the limits of their duty. Continuity and successiveness must be ensured. In recommending people for party committee membership, we must solicit the views of cadres, party members, and the masses in the localities or sectors

where these people work. Concerning a number of cadres currently subject to public criticism or accused of negative activities, party committees must conduct investigations and draw clear-cut conclusions before holding congresses. They also must publicize their conclusions as deemed necessary.

In the process of preparing for and conducting party organization congresses at the district and corresponding levels, we must also create a movement of party members and the masses at the grass-roots level for revolutionary actions in all fields—socioeconomic and national security and defense. This requires a truly renovative, democratic, practical, and economical process of preparing for and holding party congresses.

### **Hanoi Meeting Affirms Solidarity With Palestinian People**

*BK3011081188 Hanoi VNA in English 0704 GMT 30 Nov 88*

[Text] Hanoi VNA November 30—A meeting was held here yesterday evening in response to the Day of International Solidarity with the Palestinian People (November 29).

The meeting, sponsored by the Vietnam Union of Peace, Solidarity, and Friendship Organizations (VUPSFO); the Vietnam Committee for Afro-Asian Peoples' Solidarity Organization (AAPSO); and the Vietnam Committee for Solidarity with the Palestinian People (VCSP), was attended by Nguyen Tan Trinh, member of the Communist Party of Vietnam Central Committee, minister of aquatic products, and presidium member of the VUPSFO; Nguyen Nam Khanh, member of the CPV Central Committee and president of the VCSP; and others.

Taxi Husen Redech, charge d'affaires of the Palestine Liberation Organization (PLO) here, and other staff members of the PLO representation in Hanoi were present.

Addressing the meeting, Nguyen Nam Khanh praised the Palestinian people's staunch struggle for their sacred national rights over the past 40 years and condemned the United States, Israel, and other reactionary forces for their sinister schemes aimed at isolating and weakening the Palestinian resistance movement. He affirmed the Vietnamese people's strong support for the Palestinian people's just struggle, especially the declaration to establish the independent Palestinian state. He expressed his conviction that under the leadership of the PLO, the Palestinian people would obtain their final victory.

Taxi Husen Redech, for his part, thanked the Vietnamese party, government, and people for their unswerving and principled position in supporting the Palestinian people's struggle.

### **Gia Luong District Party Organization Holds Congress**

*BK0212063588 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Nov 88*

[Text] The party organization of Gia Luong district, Ha Bac Province, recently held a congress with Comrade Nguyen Thanh Binh, Political Bureau member and secretary of the party Central Committee attending.

In the spirit of renovation and of speaking the truth straightforwardly, the participants in the congress pointed out the shortcomings over the past 2 years: Many of the plan norms have not been fulfilled; the exploitation of potentials of various trades and jobs has not been accelerated; some of the service sectors and agencies in support of agriculture have not done away with officialism causing trouble for the people; and educational, cultural and social tasks have declined both qualitatively and quantitatively.

The congress approved a resolution to struggle until 1990 to bring the total area of crop cultivation in Gia Luong District up to 25,800 hectares, achieve 1.5 million ruble-worth of exports, fulfill the grain and pork obligations to the state, strive to reduce the population growth rate to 1.6 percent, and purify and strengthen 50 percent of the party chapters and organizations.

## **ECONOMIC**

### **Blood-Pressure Gauges Exported to USSR**

*BK2911105488 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Nov 88*

[Text] The Ho Chi Minh City Rubber Industrial Enterprise [RUBIMEX] and the (Ragreta) Clock Enterprise of Leningrad recently signed an agreement under which RUBIMEX will produce 500,000 sets of blood-pressure gauges for export to the Soviet Union. RUBIMEX has produced 20,000 sample sets for the Soviet Union and received praise for its product quality. If RUBIMEX satisfactorily fulfills its agreement in 1989, the Soviet side will sign another agreement for three million sets.

### **French Oil Company Official Discusses Exploration Program**

*BK2311141988 Hanoi Domestic Service in Vietnamese 1430 GMT 22 Nov 88*

[Interview with Bernard Duyval, vice president of the French petroleum company Total, by Station Correspondent Minh Duc, in Hanoi on 22 November—with questions read by announcer and answers recorded in French fading into Vietnamese translation]

[Text] [Announcer] Question number one: Please tell Voice of Vietnam listeners briefly about the French petroleum company Total and its cooperation with various countries in the world.

[Bernard Duyval] For several years now our company has developed cooperation with many countries around the world in the field of oil research, exploration, and exploitation. In this process, we have transferred technology to various countries. At the same time, we have exchanged views with other countries on how to exploit and manage petroleum. In the process of our cooperation with other countries, we have also created favorable conditions for their cadres to participate in the leadership of our company. We can cite with pride some examples of such cooperation, for instance, our cooperation with Indonesia, Algeria, Venezuela, and many others. In the process of this cooperation, we have trained cadres for the host countries. To date, we have trained a large number of technical cadres for the countries with which we have cooperated. The contract we have just signed with Vietnam has also mentioned the question of our company training cadres for Vietnam. The Total Company has set aside a fairly substantial fund for the training of cadres for the Vietnam Petroleum Company. Vietnamese petroleum technicians can go to France for practical training at our establishments; they can also go there for postgraduate theoretical research. In the process of working with cadres of the Vietnam Petroleum Company in Vietnam, we think that both side can learn much from each other. This is because anyone helps others get a better technical knowledge, he himself also can learn many new things and understand the culture of other countries better. Each nation possesses extremely precious treasures in the form of scientific progress from which each of us can benefit.

[Announcer] Question number two: Would Your Excellency please tell us about the prospects for the cooperation in oil exploitation between Total and the Vietnam Petroleum Company?

[Bernard Duyval] The contract signed recently envisaged a very intensive work program. Immediately after the signing of this contract, we will begin a series of work including geophysical surveys which will be conducted in the sea area specified in the contract. According to the contract stipulations, 9 months at the latest after the contract signing our company must drill the first well in the specified area. This is a very short deadline for us. However, with our experience in geophysical work, we hope that we will do well in geophysical surveys. On this basis, we will ensure the drilling schedule, and 9 months at the latest after the contract signing we will start drilling the first well. In the first 3 months we are committed to drill three wells. If everything goes smoothly, we will continue to drill more wells earlier than the contract requires. If we satisfactorily implement the program stipulated in the contract, this will prove that our agreement has been wise and that our cooperation will achieve fine results. During the discussions on the contract, both sides gave each other considerable assistance in their efforts to promote mutual understanding. With our company's tradition, we are prepared to cooperate closely with the Vietnam petroleum Company.

### **Indonesian Company Sets Up Joint Venture in South**

BK2911030688 Hanoi VNA in English  
1511 GMT 28 Nov 88

[Text] Hanoi VNA November 28—A joint venture named Indovina International Ltd has been set up between the Indonesian company Astra and Ho Chi Minh City of Vietnam.

With its initial investment of HK \$1 million equally contributed by the two sides, Indovina International Ltd, headquartered in Hong Kong, will be responsible for Vietnam's import of raw materials, building materials and insecticide from Indonesia and its export of agricultural products to Indonesia.

The joint company will also engage in the management of Cuu Long Hotel in Ho Chi Minh City.

### **Nghia Binh, Estonia Sign Cooperation Protocol**

BK1711153888 Hanoi VNA in English  
1445 GMT 17 Nov 88

[Excerpt] Hanoi VNA November 17—A protocol on establishing sisterhood and economic cooperation was recently signed between the central coastal province of Nghia Binh and the Estonian Soviet Socialist Republic.

Under the protocol, Nghia Binh will cooperate with Estonian partners in making garments, leather shoes, furniture, building materials, fishery, food canning, and wood processing. They will exchange farm produce, coffee and consumer goods.

The agreement was reached during a recent visit to Nghia Binh by a high-level delegation of the Estonian Republic. [passage omitted]

### **New Private Corporation Provides Technical Services**

42090056c Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 19 Oct 88 p 1

[Article by T.L.: "Private Scientific and Technical Services Corporation Established"]

[Text] A new private corporation called Scientific and Technical Services and Industrial Development Corporation, Tenideco for short, established by Mr Hoang Son residing at 9/4 Nguyen Thi Huynh Street, Phu Nhuan, has been given official permission to operate. It is located at 208 Nguyen Trai Street, Subward 13 in the 13th Precinct.

Tenideco, a shareholders' corporation, helps localities and production installations to improve machinery, industrial assembly lines, and management in order to obtain better economic results; makes investment; and builds under contract new industrial assembly lines for domestic economic units.

### **Non-State Sector Units Borrow More Capital From Bank**

*42090056b Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Oct 88 p 1*

[Article by L.T.T.: "Non-State Economic Sector Units Borrow From Bank 14.1 Billion Dong of Capital for Production"]

[Text] Implementing Resolution 16 on encouraging the development of economic components outside of the state sector, the Municipal Bank has adopted a number of monetary and credit policies to provide timely capital support to such economic units. For instance, the non-state sector units can open accounts in a bank that they choose as the most convenient one for them. All procedural requirements in connection with opening such accounts are to be completed in only half a day. The bank must consider account balances as confident information. When they deposit money in the bank, the non-state sector economic organizations receive the same dividend, depending on the length of time their money remains in the account, as the one granted state enterprises and have the full right to use the capital left in their account without any control by the bank as to the nature and purpose of the use of their money.

About granting credit, the bank gives priority to the units that make the kinds of goods included in the three major economic programs; the interest rate applicable is the one adopted by the central bank. The units that properly carry out credit contracts will get a 20 percent reduction in the interest rate applied to their loans.

As of 15 October, the Municipal Bank has granted the non-state sector economic units loans totaling 14.1 billion dong, with collective sector units getting 10 billion, joint state-private enterprises 3.1 billion, and private and individual units 1 billion dong.

### **HCM City, Australian Corporation Officials Meet**

*42090056a Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 19 Oct 88 p 1*

[Article by K.B.: "Le Quang Chanh Meets With Board of Directors of (Australian) Tradeland International General Corporation"]

[Text] On the occasion of the first flight of Tradeland Air Express (TAE), a subsidiary of Australia's Tradeland International General Corporation, carrying goods from Australia to Ho Chi Minh City, and vice versa, Le Quang Chanh, vice chairman of the Municipal People's Committee, on 8 October met and held cordial conversation with the general corporation's Board of Directors. Attending the meeting were representatives of many corporations doing business in import-export, hotel keeping, and tourism in the municipality.

Le Quang Chanh congratulated them for the success of the inaugural flight and expressed the hope that the business cooperation relations between Tradeland International and our domestic air transport, import-export, tourist, and hotel sectors would be expanding and bringing about realistic results.

### **Council of Ministers Issues Directive on Water Conservancy**

*BK2711092588 Hanoi Domestic Service in Vietnamese 1100 GMT 25 Nov 88*

[Text] On 24 November, the Council of Ministers chairman issued a directive on water conservancy in service of this year's winter-spring crop cultivation.

The directive instructs all sectors and people's committees at all levels to satisfactorily carry out the following key tasks:

It is necessary to provide guidance to ensure early formulation and scrupulous implementation of plans and measures for supplying irrigation water to meet this year's winter-spring crop cultivation requirements right at the start of the crop season.

It is important for the water conservancy sector to conduct a feasibility survey of all available sources of water, especially reservoirs; to guarantee a balanced water supply for each area and each type of crops; to promptly consolidate or repair water sluices; to dredge canals to ensure steady water supply to the users; and to get materials, fuel, spare parts, and other necessary equipment ready so all irrigation projects can be set into motion right at the start of the crop season.

It is necessary for the Ministry of Water Conservancy to provide good guidance to ensure that all non-mechanical water works be fully exploited and that water, electricity, and fuel be used economically. Joint efforts must be made with the Ministries of Building and Energy to formulate plans for regulating the distribution of water from the Thac Ba, Tri An, Da Nhim, and Hoa Binh Reservoirs to the low-lying areas.

It is necessary for the agricultural service to join hands with the water conservancy and energy sectors in closely monitoring the conditions and usability of all irrigation projects and water and power sources so as to facilitate the application of suitable cultivation and crop patterns.

Joint efforts must be made by the agricultural sector and the water conservancy service to satisfactorily consolidate the various farm irrigation groups; to repair canals, water sluices, and embankments; to get water pumps and other anti-drought facilities ready; to ensure that water drainage and irrigation work are carried out scientifically; and to apply technical methods in order to guarantee intensive cultivation and high crop yield.

### **Increased Gold Imports in Ho Chi Minh City, Southern Provinces**

42090061 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 Sep 88 p 1

[Text] Due to new policies and simpler regulations, gold imports into Ho Chi Minh City and southern provinces from tourists and visiting overseas Vietnamese have increased in the first 6 months of this year. According to the municipal customs branch, more than 5,000 taels of gold have been brought into the country during this period. Tourists previously had to explain the reasons for bringing in gold, in addition to declaring it to customs. Now they only have to observe customs regulations.

The gold mentioned above includes gold brought in by tourists and visiting overseas Vietnamese, and from COSEVINA—a corporation that provides services to overseas Vietnamese and handles on-the-spot exports—and other provincial companies (such as DONAVIK in Dong Nai Province) that handle overseas Vietnamese money transfers in gold. T.V.

### **Management Mechanism for Production Units Issued**

BK2311123088 Hanoi Domestic Service in Vietnamese 2300 GMT 22 Nov 88

[Text] On 14 November 1988, the Council of Ministers issued a decree promulgating the mechanism of economic management for state-operated agricultural production establishments to concretize the Resolution of the Third Plenum of the Sixth CPV Central Committee, Resolution No. 10 of the Political Bureau, and Decision No. 217 of the Council of Ministers concerning the state-operated agricultural production establishments. Promulgated along with this decree was a Council of Ministers regulation on the mechanism of economic management for state-operated agricultural production establishments. This decree took effect on the day of its proclamation. All previous regulations at variance with this decree were abrogated.

### **Haiphong, UNDP Hold Private Economy Seminar**

BK2911030388 Hanoi Domestic Service in Vietnamese 2300 GMT 25 Nov 88

[Text] In Haiphong during 22-24 November, the Haiphong Municipal People's Committee and the UNDP organized a seminar on development of the private economy. This is the second seminar organized by the UNDP, the first being held in Hanoi recently.

Delegates to the seminar heard the 20-point conclusion of the Hanoi meeting on private economy, a draft policy on developing private economy in the Haiphong Municipality, and experiences in investment of representatives of the UNDP, UNIDO, and ESCAP. Afterward, they exchanged views on local economic development projects and other UNDP, UNIDO, and ESCAP sponsored-projects, on developing programs and concrete projects to establish

joint corporations in Haiphong, and on UN assistance programs in finding clients and acting as mediator for Haiphong corporations and foreign investors.

The seminar proposed that the municipality should soon issue concrete directives on developing the private economy, formulating policies and measures to promote private economy and to welcome foreign investment, and that the UNDP, UNIDO, ESCAP, and other international organizations attached to the United Nations should soon organize training courses and seminars for private producers while helping formulate projects and acting as mediators to encourage foreign corporations to invest in Vietnam and Haiphong Municipality.

### **First Insulating Polyurethane Panel Enterprise Opens**

BK2311083588 Hanoi VNA in English 0737 GMT 23 Nov 88

[Text] Hanoi VNA Nov. 23—Vietnam's first insulating polyurethane panel enterprise, jointly built by the Sea Products Export Company of Vietnam (SEAPRODEX) and the Australian Company ALOBANA has been put into operation in Ho Chi Minh City.

The joint enterprise, named SEABATECHNIC Co. Ltd., has two foreigners as director and technical deputy-director, and a capital of \$1,610,000 equally contributed by the two partners.

Its products are used mainly in making freezer lockers, home freezers, insulation roofer, food trucks, etc. With its present daily output of from 150 to 240 square metres of panels, the factory has assembled a 50-ton freezer locker for a sea products factory of SEAPRODEX and is building two others—one of 500 [metric] tons in capacity in Phu Khanh Province and the other double that size in Vinh, the provincial town of Nghe Tinh, Central Vietnam.

This is SEAPRODEX's fourth joint venture with foreign countries.

### **Winter-Spring Rice Crop Faces Water Shortage**

BK0112173088 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Nov 88

[Text] The volume of rainfall in northern provinces this year, on the average, was less than previous years by 400-600 mm. As a result, water levels in various lakes, dams, canals, and rivers were lower than expected. This has caused difficulty in irrigation work for the 1988-89 winter-spring crop. To overcome this difficulty and to ensure sufficient water for agricultural production, the Ministry of Water Conservancy has urged various farm-land water conservancy management enterprises to inspect and record the volume of water in localities to provide a balanced irrigation service for each area and crop, while striving to dredge all canals and water gates to bring in about 1.3 million cubic meters of water for irrigation.

The water conservancy, electric, and agricultural sectors must coordinate closely with one another to ensure a supply of about 120,000 kw of electricity to large and small water pumping stations to enable them to respectively run their pumping machine on a 24- and 20-hour

a day basis so as to aid in the plowing and planting of 5th-month spring rice. The Ministry of Water Conservancy also asked the state to reserve a volume of fuel for supplying to localities to cope with possible drought and to ensure production.

10

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